



Domestic Market News

- **Saudi Arabia's non-oil exports** rose 7.0% Y/Y to SAR 21.6bn in June. When compared to May, non-oil exports decreased by about 26.0% or SAR 7.8bn. (Source: Argam)
- Global index provider **FTSE Russell** will implement the changes announced as part of its quarterly index review on September 23. Bupa Arabia was upgraded from the Mid Cap Index to the Large Cap Index. Al Rajhi Takaful and Saudi Ground Services Co. were upgraded from the Small Cap to the Mid Cap. Jamjoom Pharma was added to the Mid Cap and FTSE Global Equity Index. (Source: Argam)
- **Almunajem Foods Co.** completed the purchase of a 23.0% stake of Balady Poultry Trading Co. through negotiated deals at SAR 120 per share, valued at SAR 181.3mn. Almunajem's ownership in Balady Poultry rose to 40.0%. The acquisition was partly self-financed and partly by external sources. (Source: Tadawul)
- **Saudi Telecom Company (STC)** announces that the board of directors has approved the company's dividends distribution policy for the next three years. STC commits to pay SAR 0.55 per share per quarter starting Q4-24. (Source: Tadawul)
- **AlBabtain Food's** board of directors recommended investing in a chocolate production factory in Saudi Arabia and carrying out the required due diligence to determine the investment's value and percentage. (Source: Tadawul)
- **Elm Co.** renewed a Shariah-compliant credit facility deal worth SAR 500.0mn with Al Rajhi Bank. The funds will be used to finance working capital and facilitate bank guarantees. (Source: Tadawul)

Market Analysis

The **Saudi Stock Exchange** increased 0.1% to 12,194.4. The value traded stood at SAR 7.6bn (down 15.0% over the previous day), while advance-decline ratio stood at 133/90. The parallel market index increased 2.4% to 26,578.4 points. The value traded stood at SAR 224.6mn (up 511.8% over the previous day). Most of the sectors in the main market ended in green. Pharma & Bio Tech and Software & Services (up 1.5% and 1.4%, respectively) while Capital Goods and Energy (down 0.7% and 0.3%, respectively) declined the most.

Top Gainers

Company	Price	Change%
HERFY FOODS	26.60	9.9
CHUBB	40.10	9.0
ALRAJHI TAKAFUL	216.60	6.6
KINGDOM	8.83	4.9
KEC	15.26	3.5

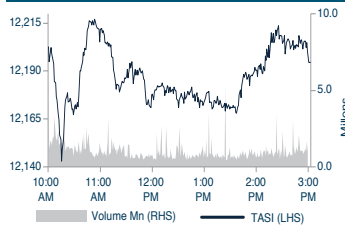
Top Losers

Company	Price	Change%
BURUJ	23.42	-2.8
RAYDAN	29.25	-2.7
ATAA	72.30	-2.3
AYYAN	16.92	-2.2
SASCO	74.10	-2.0

Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	12,194	12,221	12,142	0.1	1.3
NomuC	26,578	26,612	25,948	2.4	8.4

TASI movement during session



TASI Ratios

P/E* (x)	26.3
Price-to-Book (x)	2.5
Dividend Yield (%)	2.7
Return on Equity (%)	19.4

*Source: Argam (Excluding Aramco)

Index	Close	Daily Change%	YTD %	PE (TTM)
Energy	5,244	-0.3	-15.8	15.7
Materials	5,676	0.3	-11.2	High
Capital Goods	13,199	-0.7	30.9	27.4
Commercial Service	5,218	0.0	-6.5	40.3
Transportation	7,929	0.7	24.8	36.8
Consumer Durables	5,250	0.3	5.4	Neg
Consumer Services	5,176	1.0	4.0	41.7
Media	31,069	0.1	26.5	48.1
Consumer Discretionary Ret	7,841	-0.2	-9.0	22.2
Consumer Staples Ret	9,319	0.6	-4.7	23.1
Food & Beverages	5,919	0.2	5.2	28.1
Healthcare	13,294	0.1	8.8	44.1
Pharma & Bio Tech	5,238	1.5	7.6	44.4
Banks	12,205	-0.2	-0.7	13.3
Financial Services	7,804	0.7	15.9	29.4
Insurance	11,615	1.3	35.1	27.8
Telecom	7,794	-0.1	0.3	14.9
Utilities	14,413	0.5	45.2	30
REITs	3,279	0.6	-10.6	26.3
Real Estate	3,808	-0.1	24.6	45.7
Software & Services	79,148	1.4	15.4	42.2

Average Index Value

Average days 5	Average days 10	Average days 20	Average value traded for August (bn)
12,098	11,956	11,921	7.22

Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	39.2	1,674.60	2,670.00
Previous week	30.5	1,262.60	2,409.70

Top Weighted Companies

Company	Price	Change%
Saudi Aramco	27.65	-0.4
Al Rajhi	88.90	-0.2
SNB	36.90	0.1
ACWA POWER	417.20	0.5
ALINMA	32.30	-1.7





International Market News

- According to **Baker Hughes**, North America's rig count increased to 804 in the week ended August 23 from 803 earlier. The rig count fell to 585 in the US from 586 earlier, while it remained unchanged at 17 in the Gulf of Mexico. The rig count in Canada increase to 219 from 217 earlier. (Source: Baker Hughes)
- US Federal Reserve** Chairman Jerome Powell said "The time has come for policy to adjust" indicating interest rate cuts are ahead, though he did not provide exact timing or extent. (Source: CNBC)
- US initial jobless** claims increased to 232,000 (consensus: 234,000) in the week ended August 17, representing a rise of 4,000 from the previous week's revised level of 228,000. (Source: Econoday)
- US new home sales** surged 10.6% to an annual rate of 739,000 in July (consensus: a rise of 2.1%) after rising by 0.3% to an upwardly revised rate of 668,000 in June. The new home sales reached their highest annual rate since May 2023. (Source: RTT News)
- Bank of England** Governor Andrew Bailey said inflationary pressures in the UK are easing, but it is too early to declare a victory. (Source: RTT News)
- Japan's core inflation** that excludes prices of fresh food rose marginally to 2.7% in July (in line with consensus) from 2.6% in June. The increase was largely driven by the 12.0% surge in energy prices. The temporary phasing out of energy subsidies pushed up household utility bills in July. (Source: RTT News)
- Oil prices** jumped 2.3% on Friday, after US Federal Reserve Chairman Jerome Powell indicated that the central bank is preparing for rate cut.
- Gold prices** gained 1.1% with growing expectations of interest rate cut in September, as US treasury yields declined.

Forex / Currency

Currency / USD	Close	Daily Change%	MTD %	YTD %
Dollar Index	100.72	-0.8	-3.2	-0.6
Euro	1.12	0.7	3.4	1.4
Japanese Yen	144.37	-1.3	-3.7	2.4
Sterling Pound	1.32	0.9	2.8	3.8
Chinese Yuan	7.12	-0.4	-1.5	-0.1
Indian Rupee	83.90	-0.1	0.2	0.8
UAE Dirham	3.67	0.0	-0.0	0.0
Qatari Rial	3.65	-0.0	-0.0	0.0
Kuwaiti Dinar	0.31	0.0	-0.0	-0.6
Omani Rial	0.38	-0.0	-0.0	-0.0
Bahraini Dinar	0.38	0.0	-0.0	-0.0
Egyptian Pound	48.78	-0.1	0.5	57.8

Corporate Calendar

Date	Company	Event
25-Aug	SAVOLA GROUP	EGM
25-Aug	SNB	Cash Dividend Distribution
25-Aug	ALDAWAA	Cash Dividend Distribution
25-Aug	SPCC	Cash Dividend Distribution
25-Aug	MAHARAH	Cash Dividend Distribution
25-Aug	NAHDI	Cash Dividend Distribution

EGM: Extra Ordinary Meeting*

OGM: Ordinary General Meeting*

Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	4,293	-0.4	0.6	5.7	8.3
Abu Dhabi (ADX)	9,374	0.0	0.4	-2.1	17.0
Kuwait (KSE)	7,801	0.4	-1.2	4.3	22.8
Qatar (QE)	10,123	0.0	-0.3	-6.5	11.2
Oman (MSM)	4,674	-0.1	0.3	3.6	12.0
Bahrain (BSE)	1,938	0.1	-1.6	-1.7	7.4
Egypt (EGX30)	30,141	0.8	2.6	21.1	7.3

International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	41,175	1.1	0.8	9.2	23.0
Nasdaq	19,721	1.2	1.9	17.2	34.8
S&P 500	5,635	1.1	2.0	18.1	26.4
FTSE 100	8,328	0.5	-0.5	7.7	14.4
Germany DAX 30	18,633	0.8	0.7	11.2	15.4
France CAC 40	7,577	0.7	0.6	0.4	14.3
Japan Nikkei 225	38,364	0.4	-1.9	14.6	23.4
Brazil IBOVESPA	135,608	0.3	6.2	1.1	10.3
Hong Kong Hang Seng	17,612	-0.2	1.5	3.3	9.8
South Korea KOSPI	2,702	-0.2	-2.5	1.7	15.0
China Shanghai Composite	2,854	0.2	-2.9	-4.1	13.5
Australia ASX 200	8,024	-0.0	-0.8	5.7	19.8
India Sensex	81,086	0.0	-0.8	12.2	24.6
MSCI EM	1,101	-0.0	1.5	7.5	15.2
MSCI World	3,650	1.2	2.2	15.2	22.4

Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	78.57	2.1	-4.3	-2.3
Brent Crude (\$/bbl)	79.02	2.3	-2.1	2.6
Texas crude (\$/bbl)	74.83	2.5	-4.0	4.4
Natural Gas (\$/mmbtu)	2.02	-1.5	-0.7	-24.3
Gold (\$/oz)	2,512.59	1.1	2.7	21.8
Silver (\$/oz)	29.82	2.9	2.8	25.3
Steel (\$/ton)	672.00	0.0	-4.5	-40.8
Iron Ore (CNY/MT)	742.50	-1.4	-2.8	-28.8
Wheat (\$/bu)	528.00	-1.4	-4.3	-21.1
Corn (\$/bu)	391.00	-0.6	-2.2	-22.3
Sugar (\$/lb)	18.39	3.0	-2.9	-10.4
SMP* (EUR/MT)	2,420.00	-0.7	2.5	-6.1

*SMP: Skimmed Milk Powder

Interbank Rates

Region	Rate*	Daily Change(bps)	MTD (bps)	YTD (bps)
KSA (SAIBOR 1M)	5.88	-0.3	10.3	-3.4
KSA (SAIBOR 3M)	6.06	-4.8	-13.5	-17.0
KSA (SAIBOR 6M)	5.87	2.8	-8.3	-20.1
KSA (SAIBOR 12M)	5.57	0.8	-20.0	-42.1
USA (SOFR 3M)	5.08	0.9	-16.0	-25.1
UAE (EIBOR 3M)	5.02	-4.3	-21.1	-30.8

Data Sources: Tadawul, Bloomberg, Reuters

Closes as of Aug 23, 2024





Technical observations

Index	TASI
Ticker	SASEIDX Index
Last Close	12,194
Short-term view	Cautious Buy
52 weeks high/low	12,883 – 10,262

Market data

Exchange Market Cap. (SAR bn)	10,163.4
Value (SAR mn)	7,567.8
Volume (mn)	325.3
Number of Transactions	515,077
Market Breadth	133 : 90

Key statistics

1D return %	0.06%
MTD return %	0.70%
QTD return	4.41%
YTD return	1.90%
ADT vol. 3M* (mn)	324.6
ADT val. 3M (SARmn)	7,864.7

*ADT stands for Average Daily Traded

TASI market commentary

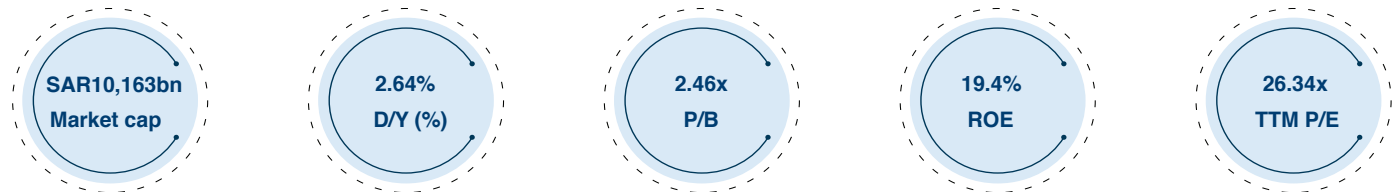
- TASI experienced a marginal rise on Thursday; primarily driven by the performance of the Materials sector (up 0.28%) and the Utilities sector (up 0.47%). At close, the Saudi market ended the day with a change of 0.06% at 12,194. In terms of activity, total volumes and value traded were ~325mn and ~SAR 7.6bn, respectively. The advance-decline ratio came in at 133/90.

Technical outlook

- TASI closed the last session near 12,194, marking a modest gain of 7 points. After eight consecutive rising sessions, the index experienced a coiled session where profit booking attitude started to appear; once tested the resistance zone of the prior peak near 12,200 – 12,235. TASI formed a Doji candlestick, indicating a current balance between the buying and selling sentiment. A confirmation by a subsequent bearish candlestick is still needed to indicate a possible further temporary profit booking sentiment. Meanwhile, the RSI indicator is still moving above the 50 level. TASI has an immediate resistance level of around 12,200. If successfully surpassed, the subsequent resistance levels to watch for would be around 12,235 – 12,310. On the other hand, an immediate support level is observed around 12,060. If breached, the subsequent support levels would be around 12,015 - 11,920. TASI is currently testing the critical resistance zone of the prior peak. Accordingly, traders are advised to approach trading cautiously and closely monitor the significant resistance zone of around 12,200 – 12,235 as a decisive breakout above this level would signal a reversal of the previous downside move.

Key price levels

S3	S2	S1	Pivot	R1	R2	R3
11,870	11,920	12,015	12,060	12,200	12,235	12,310



Source: Bloomberg, Argam

TASI daily chart

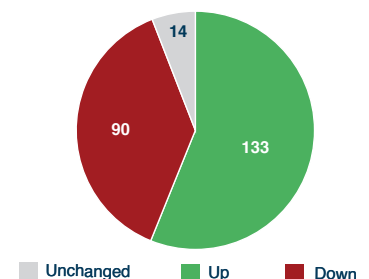


Source: Tradingview, Aljazira Capital

Our view



Market depth





SAUDI MARKET - TOP PICKS FOR THE DAY

Code	Company	Close*	Buy range	Sell range	Stop loss
4163	Aldawaa	94.80	94.60 – 94.80	95.60 – 96.70	93.60
7204	2P	15.44	15.40 – 15.44	15.58 – 15.74	15.24
7203	Elm	1022.80	1020.20 – 1022.80	1031.40 – 1043.40	1009.80
2060	Tasnee	11.44	11.40 – 11.44	11.54 – 11.66	11.30
4290	Alkhaleej Training	28.35	28.30 – 28.35	28.60 – 28.90	28.00
4162	Almunajem Foods	99.50	99.30 – 99.50	100.40 – 101.50	98.20
1810	Seera	24.16	24.10 – 24.16	24.36 – 24.64	23.86

*As of 22nd August 2024

* Note – Stop loss is based on an intraday basis

CHARTS OF THE DAY

Technical observations

ALDAWAA has just penetrated its 200-day EMA after penetrating the level of prior peaks. Moreover, all the technical indicators show bullish structure.

Aldawaa Medical Services Co. (ALDAWAA)



Source: Tradingview, Aljazira Capital

Technical observations

2P has just penetrated its 20-day SMA after bouncing off the 50-day SMA. Moreover, all the technical indicators show bullish structure.

Perfect Presentation for Commercial Services Co. (2P)



Source: Tradingview, Aljazira Capital



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Candlestick: A candlestick (candle) is a type of price chart used to display the high, low, opening, and closing prices of a security for the period under consideration.

Support: This is the price level at which demand is strong enough to avoid any further price decline.

Resistance: This is the price level at which supply is strong enough to stop any further price increase.

Pattern/formation: This is a plot of a security's price activity over a certain period that can be used to identify potential trends, reversal of trends, price targets, entry and exit points, etc. There are various formations – such as head & shoulders, triangles, flags, etc.

Simple moving average: A simple moving average is formed by computing the average price of a security over a specific number of periods. Moving averages are based on closing prices.

Relative strength index (RSI): RSI is a momentum indicator that compares a security's price gains to its losses for a predetermined number of periods (generally, 14 periods are used). The RSI attempts to point out how security, in relative terms, is in the overbought/oversold zone.

Moving average convergence/divergence (MACD): MACD is a trading indicator that shows changes in the strength, direction, momentum, and duration of a trend in a stock's price through a collection of three- time series calculated from historical closing prices.

Fibonacci retracements: These are horizontal lines that indicate the expected areas of support/resistance for a security based on a predetermined price movement. These are usually indicated by Fibonacci ratios of 23.6%, 38.2%, 50.0%, 61.8%, and 100% from that movement.

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