



Domestic Market News

- **KSA's** oil exports fell 1% M/M in June to 6.05 mnbpd. The Kingdom's crude output decreased 2% M/M to 8.8 mnbpd in June. (Source: Argam)
- **PIF** in talks to buy aircraft from Boeing and Airbus to establish a new air cargo company. The new cargo company will serve flag-carrier Saudia and Riyadh Air. (Source: Argam)
- **Bena** established steel industries factory in Riyadh. The project cost is SAR 25.0mn, which will be funded from self-financing along with financing from commercial banks. (Source: Tadawul)
- **Naseej Tech** signed a contract worth SAR 44.5mn with the Ministry of Education, to provide access to various forms of digital sources. This contract to have positive financial impact over FY24-27. (Source: Tadawul)
- **Lana** announced an award from the Ministry of Defense, to dispose of high-risk medical waste. The project value exceeds 5% of FY23 revenues. The financial impact to be reflected as of Q1-25. (Source: Tadawul)
- **SIECO's** board appointed Mr. Ghassan Abdulrahman Al-Haidari as MD. He holds a master's degree in financial management, with more than 15 years of experience. (Source: Tadawul)

Market Analysis

The **Saudi Stock Exchange** increased 0.7% to 12,103.8. The value traded stood at SAR 8.7bn (up 9.3% over the previous day), while the advance-decline ratio stood at 127/89. The parallel market index increased 0.8% to 25,990.6 points. The value traded stood at SAR 63.7mn (up 77.6% over the previous day). Most of the sectors in the main market ended in green. Food & Staples Banks (up 1.9% and 1.6%, respectively) while Media and Pharma & Bio Tech (down 1.9% and 0.8%, respectively) declined the most.

Top Gainers

Company	Price	Change%
RED SEA	35.20	10.0
ZAMIL INDUST	26.15	9.9
BURUJ	24.00	9.0
ABO MOATI	30.50	7.0
SASCO	74.80	6.7

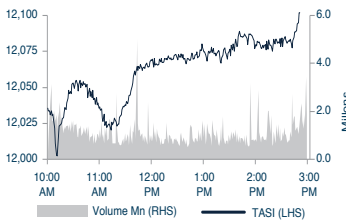
Top Losers

Company	Price	Change%
CENOMI RETAIL	10.56	-5.7
AYYAN	17.42	-3.7
ATAA	75.30	-2.7
JAMJOOM PHARMA	168.80	-2.4
SRMG	250.80	-2.4

Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	12,104	12,114	11,998	0.7	0.6
NomuC	25,991	25,991	25,690	0.8	6.0

TASI movement during session



TASI Ratios

P/E* (x)	26
Price-to-Book (x)	2.4
Dividend Yield (%)	2.7
Return on Equity (%)	19.4

*Source: Argam (Excluding Aramco)

Index	Close	Daily Change%	YTD %	PE (TTM)
Energy	5,344	-0.5	-14.2	16
Materials	5,641	0.5	-11.8	High
Capital Goods	13,277	1.6	31.7	27.6
Commercial Service	5,179	-0.5	-7.2	40.1
Transportation	7,846	-0.7	23.5	36.3
Consumer Durables	5,255	1.5	5.5	Neg
Consumer Services	5,162	0.1	3.7	41.6
Media	31,064	-1.9	26.5	48.1
Consumer Discretionary Ret	7,812	1.4	-9.3	22.2
Consumer Staples Ret	9,280	1.9	-5.1	23
Food & Beverages	5,913	0.9	5.1	28
Healthcare	13,323	0.6	9.0	44.2
Pharma & Bio Tech	5,112	-0.8	5.0	43.9
Banks	11,938	1.6	-2.8	13
Financial Services	7,612	-0.3	13.0	28.2
Insurance	11,500	0.8	33.8	27.5
Telecom	7,697	0.3	-0.9	14.7
Utilities	14,283	0.6	43.9	29.7
REITs	3,245	0.2	-11.5	26
Real Estate	3,796	0.2	24.2	45.5
Software & Services	77,759	-0.3	13.4	41.5

Average Index Value

Average days 5	Average days 10	Average days 20	Average value traded for August (bn)
11,975	11,858	11,908	7.08

Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	22.7	945.20	1,574.30
Previous week	30.5	1,262.60	2,409.70

Top Weighted Companies

Company	Price	Change%
Saudi Aramco	28.20	-0.5
Al Rajhi	86.50	2.7
SNB	35.75	2.0
ACWA POWER	413.00	0.6
ALINMA	32.25	2.4





International Market News

- **Eurozone** CPI climbed 2.6% Y/Y in July, slightly faster than the 2.5% increase in June. The core inflation held steady at 2.9%, as estimated. (Source: RTT News)
- **Eurozone** construction output increased 1.7% M/M in June, reversing a 0.9% drop in May. This was the first rise in four months, and the quickest since January 2023. The recovery was primarily driven by a 1.8% growth in construction of buildings. Civil engineering expanded by 1.1%, while specialized construction activities rebounded 0.5%. (Source: Reuters)
- **Eurozone** current account balance reported a EUR 51bn surplus in June, versus EUR 38bn surplus in May. This was the highest since January 2013. Surplus on goods trade increased further, while the surplus on services trade decreased marginally. (Source: CNBC)
- **China's** central bank kept its one-year loan prime rate unchanged at 3.35%. Similarly, the five-year LPR, the benchmark for mortgage rates, was retained at 3.85%. Some economists expect one more rate cut in LPR this year and 2 more cuts in 2025, but recent developments increase the odds of seeing multiple cuts before year-end. (Source: Reuters)
- **Oil prices** dropped 0.6% as the supply concerns in the Middle East eased and as economic weakness in China weighed on fuel demand.
- **Gold prices** gained 0.4% as US Dollar weakened amid Fed rate cut expectations.

Forex / Currency

Currency / USD	Close	Daily Change%	MTD %	YTD %
Dollar Index	101.44	-0.4	-2.6	0.1
Euro	1.11	0.4	2.8	0.8
Japanese Yen	145.26	-0.9	-3.1	3.0
Sterling Pound	1.30	0.3	1.4	2.4
Chinese Yuan	7.12	-0.2	-1.5	-0.1
Indian Rupee	83.79	-0.1	0.1	0.7
UAE Dirham	3.67	0.0	-0.0	0.0
Qatari Rial	3.65	-0.0	0.0	0.1
Kuwaiti Dinar	0.31	-0.0	0.0	-0.5
Omani Rial	0.39	0.0	0.0	0.0
Bahraini Dinar	0.38	-0.0	-0.0	-0.0
Egyptian Pound	48.85	0.2	0.6	58.0

Corporate Calendar

Date	Company	Event
21-Aug	ALHAMMADI	Cash Dividend Distribution
21-Aug	JARIR	Cash Dividend Distribution
21-Aug	EAST PIPES	Cash Dividend Distribution
21-Aug	ANB	Cash Dividend Distribution
21-Aug	SARCO	EGM
21-Aug	FADECO	Cash Dividend Distribution

EGM: Extra Ordinary Meeting*
OGM: Ordinary General Meeting*

Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	4,255	0.4	-0.3	4.8	8.2
Abu Dhabi (ADX)	9,317	0.1	-0.2	-2.7	16.7
Kuwait (KSE)	7,748	-0.1	-1.9	3.6	22.7
Qatar (QE)	10,159	0.0	0.0	-6.2	11.3
Oman (MSM)	4,693	0.4	0.7	4.0	12.1
Bahrain (BSE)	1,936	0.0	-1.7	-1.8	7.3
Egypt (EGX30)	29,915	2.0	1.8	20.2	7.2

International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	40,835	-0.2	-0.0	8.3	22.8
Nasdaq	19,720	-0.2	1.8	17.2	34.8
S&P 500	5,597	-0.2	1.4	17.3	26.2
FTSE 100	8,273	-1.0	-1.1	7.0	14.4
Germany DAX 30	18,358	-0.3	-0.8	9.6	15.2
France CAC 40	7,486	-0.2	-0.6	-0.8	14.1
Japan Nikkei 225	38,063	1.8	-2.7	13.7	23.2
Brazil IBOVESPA	136,087	0.2	6.6	1.4	10.3
Hong Kong Hang Seng	17,511	-0.3	1.0	2.7	9.8
South Korea KOSPI	2,697	0.8	-2.7	1.6	15.0
China Shanghai Composite	2,867	-0.9	-2.5	-3.6	13.5
Australia ASX 200	7,998	0.2	-1.2	5.4	19.8
India Sensex	80,803	0.5	-1.1	11.9	24.6
MSCI EM	1,104	0.1	1.8	7.9	15.2
MSCI World	3,616	-0.1	1.2	14.1	22.4

Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	78.44	-2.6	-4.5	-2.5
Brent Crude (\$/bbl)	77.20	-0.6	-4.4	0.2
Texas crude (\$/bbl)	74.04	-0.4	-5.0	3.3
Natural Gas (\$/mmbtu)	2.20	-1.7	8.0	-17.7
Gold (\$/oz)	2,513.99	0.4	2.7	21.9
Silver (\$/oz)	29.44	-0.0	1.5	23.7
Steel (\$/ton)	662.00	0.0	-6.0	-41.7
Iron Ore (CNY/MT)	722.50	1.3	-5.4	-30.7
Wheat (\$/bu)	556.50	0.8	0.8	-16.8
Corn (\$/bu)	398.00	-0.6	-0.4	-21.0
Sugar (\$/lb)	17.57	-2.5	-7.2	-14.4
SMP* (EUR/MT)	2,413.00	-0.3	2.2	-6.4

*SMP: Skimmed Milk Powder

Interbank Rates

Region	Rate*	Daily Change(bps)	MTD (bps)	YTD (bps)
KSA (SAIBOR 1M)	5.85	5.8	7.3	-6.4
KSA (SAIBOR 3M)	6.04	2.4	-15.5	-19.1
KSA (SAIBOR 6M)	5.84	-0.7	-11.2	-23.1
KSA (SAIBOR 12M)	5.59	-1.5	-18.0	-40.1
USA (SOFR 3M)	5.12	-0.5	-12.0	-21.0
UAE (EIBOR 3M)	4.93	-13.2	-30.5	-40.2

Data Sources: Tadawul, Bloomberg, Reuters
Closes as of Aug 20, 2024





Technical observations

Index	TASI
Ticker	SASEIDX Index
Last Close	12,104
Short-term view	Buy
52 weeks high/low	12,883 – 10,262

Market data

Exchange Market Cap. (SAR bn)	10,256.8
Value (SAR mn)	8,747.9
Volume (mn)	349.5
Number of Transactions	577,471
Market Breadth	127 : 89

Key statistics

1D return %	0.67%
MTD return %	-0.05%
QTD return	3.63%
YTD return	1.14%
ADT vol. 3M* (mn)	318.5
ADT val. 3M (SARmn)	7,757.7

*ADT stands for Average Daily Traded

TASI market commentary

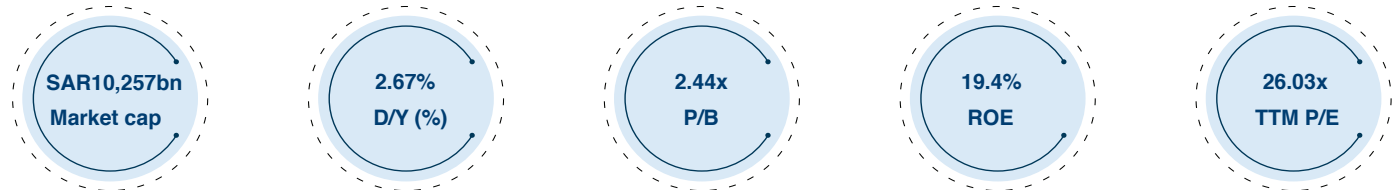
- TASI experienced a rise on Tuesday; primarily driven by the performance of the Banks sector (up 1.59%) and the Materials sector (up 0.52%). At close, the Saudi market ended the day with a change of 0.67% at 12,104. In terms of activity, total volumes and value traded were ~350mn and ~SAR 8.8bn, respectively. The advance-decline ratio came in at 127/89.

Technical outlook

- TASI closed the last session near 12,104, marking a gain of 81 points. The buying sentiment resumed to drive the index higher, breaking through both the 100-day SMA and a declining trendline around 12,070. TASI formed a green candlestick, depicting the prevailing buying sentiment. Moreover, the RSI indicator continued its upward trajectory after surpassing the 50-level suggesting a potential further upward movement towards the resistance zone of the prior peak near 12,200 – 12,235. 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 12,070. If breached, the subsequent support levels would be around 12,015 - 11,910. TASI has penetrated its 100-day SMA which coincided with a declining trendline suggesting a potential further buying attitude toward the resistance zone of the prior peak. Traders are advised to buy and closely monitor the resistance level of around 12,200 – 12,235.

Key price levels

S3	S2	S1	Pivot	R1	R2	R3
11,860	11,910	12,015	12,070	12,200	12,235	12,310



Source: Bloomberg, Argaam

TASI daily chart

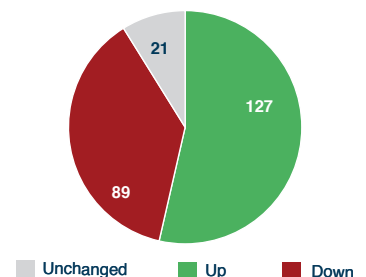


Source: Tradingview, Aljazira Capital

Our view



Market depth





SAUDI MARKET - TOP PICKS FOR THE DAY

Code	Company	Close*	Buy range	Sell range	Stop loss
4142	Riyadh Cables	110.40	110.20 – 110.40	111.40 – 112.60	109.00
2040	Saudi Ceramics	29.60	29.55 – 29.60	29.85 – 30.20	29.25
8240	CHUBB	36.20	36.10 – 36.20	36.50 – 36.95	35.75
2320	Al-Babtain	44.00	43.90 – 44.00	44.35 – 44.90	43.45
4164	Nahdi	133.80	133.40 – 133.80	135.00 – 136.40	132.00
2240	Zamil	26.15	26.10 – 26.15	26.40 – 26.70	25.80
1214	Shaker	28.95	28.90 – 28.95	29.20 – 29.55	28.60

*As of 20th August 2024

* Note – Stop loss is based on an intraday basis

CHARTS OF THE DAY

Technical observations

RIYADH CABLES has penetrated the resistance zone of the prior peaks. Moreover, all the technical indicators show bullish structure.

Riyadh Cables Group Co. (RIYADH CABLES)



Source: Tradingview, Aljazira Capital

Technical observations

Saudi Ceramics has just penetrated a declining trendline. Moreover, all the technical indicators show bullish structure

Riyadh Cables Group Co. (RIYADH CABLES)



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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