



## Domestic Market News

- The Ministry of Industry and Mineral Resources** affirmed that ambitious steps are being taken to localize the production of vaccines and medical devices in Saudi Arabia, to achieve pharmaceutical security. The total number of factories in this sector has reached 206, with total investments of SAR 10.0bn. (Source: Argaam)
- The Minister of Transport and Logistic Services** approved granting establishments that have vehicle lease contracts from licensees in the car rental activity an exemption to use them for delivery of orders. (Source: Argaam)
- Prefect Presentation for Commercial Service Co. (2P)** signed an agreement with Al Rajhi Bank for the renewal and increase of a Sharia-compliant banking facility worth SAR 265.0mn. The facility will be valid till August 25, 2025. The credit facility will be utilized for newly awarded projects and issuing letters of guarantees. (Source: Tadawul)
- 2P** was awarded a project by the Ministry of Health to operate and maintain the digital infrastructure of 48 hospitals in the central region at a total value of SAR 86.0mn, including VAT. The contract will likely be signed on October 26. (Source: Tadawul)
- Savola Group's** shareholders approved increasing capital via a SAR 6.0bn rights issue, during the extraordinary general meeting. (Source: Tadawul)
- Alhasoob Co.** announced extending MoU signed with Alkhorayef Group Co. to acquire Alkhorayef Printing Solutions Co. through issuing new shares to Alkhorayef Group shareholders. The MoU will be extended until December 31, 2024. (Source: Argaam)

## Market Analysis

The **Saudi Stock Exchange** stayed flat at 12,261.2. The value traded stood at SAR 9.0bn (up 13.3% over the previous day), while advance-decline ratio stood at 85/137. The parallel market index decreased 1.0% to 26,433.9 points. The value traded stood at SAR 35.9mn (down 18.4% over the previous day). Most of the sectors in the main market ended in red. Pharma & Bio Tech and Media (up 3.7% and 2.1%, respectively) while Food & Beverages and Retailing (down 1.7% and 1.3%, respectively) declined the most.

### Top Gainers

Company	Price	Change%
ALBAHA	0.13	8.3
ALAKARIA	22.86	6.3
SPIMACO	33.65	5.0
ALOMRAN	40.75	4.5
SRMG	261.40	3.5

### Top Losers

Company	Price	Change%
SAVOLA GROUP	25.60	-5.0
WAFRAH	41.25	-3.6
HERFY FOODS	26.80	-2.9
SASCO	76.70	-2.8
KINGDOM	8.66	-2.7

## Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	12,261	12,330	12,226	(0.0)	1.9
NomuC	26,434	26,680	26,219	(1.0)	7.8

### TASI movement during session



### TASI Ratios

P/E* (x)	26.6
Price-to-Book (x)	2.5
Dividend Yield (%)	2.6
Return on Equity (%)	19.4

\*Source: Argaam (Excluding Aramco)

Index	Close	Daily Change%	YTD %	PE (TTM)
Energy	5,297	0.3	-15.0	15.8
Materials	5,734	0.4	-10.3	High
Capital Goods	13,184	-0.5	30.7	27.3
Commercial Service	5,209	-0.8	-6.6	40.2
Transportation	7,812	-0.9	23.0	36.3
Consumer Durables	5,269	-0.8	5.8	Neg
Consumer Services	5,207	0.2	4.6	41.9
Media	31,843	2.1	29.7	49
Consumer Discretionary Ret	7,854	-1.3	-8.8	22.3
Consumer Staples Ret	9,442	-0.2	-3.4	23.5
Food & Beverages	5,955	-1.7	5.8	29.6
Healthcare	13,208	-1.1	8.1	43.8
Pharma & Bio Tech	5,399	3.7	10.9	45.4
Banks	12,171	-0.2	-0.9	13.2
Financial Services	7,938	1.1	17.9	29.5
Insurance	11,525	-0.6	34.1	27.6
Telecom	8,192	-0.7	5.4	16
Utilities	14,539	1.5	46.5	30.3
REITs	3,340	0.5	-8.9	26.8
Real Estate	3,841	0.0	25.7	46.1
Software & Services	79,094	0.0	15.3	42

### Average Index Value

Average days 5	Average days 10	Average days 20	Average value traded for August (bn)
12,202	12,058	11,932	7.36

### Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	17	649.70	1,066.50
Previous week	39.2	1,674.60	2,670.00

### Top Weighted Companies

Company	Price	Change%
Saudi Aramco	27.95	0.4
Al Rajhi	88.60	-0.1
SNB	36.60	-0.7
ACWA POWER	420.00	1.7
ALINMA	32.10	-0.9



## International Market News

- **US durable goods orders** jumped 9.9% in July (consensus: an increase of 4.0%) after falling by a revised 6.9% in June. The significant rebound by durable goods orders came as orders for transportation equipment shot up by 34.8% in July after plummeting by 20.6% in June. Excluding the surge in orders for transportation equipment, durable goods orders slipped 0.2% in July compared to a 0.1% rise in June. (Source: RTT News)
- **San Francisco Fed** President Mary Daly boosted expectations for a rate cut next month and suggested that a bigger rate cut remains on a monetary policy table if the labor market weakens further. (Source: Reuters)
- **The United Nations** Support Mission in Libya issued a statement expressing deep concern over the deteriorating situation in Libya resulting from unilateral decisions. (Source: Reuters)
- **UK's shop prices** fell in annual terms in August, the first time since October 2021, pushed down by summer sales of clothes and household goods. The shop prices fell by 0.3% Y/Y in August, after a 0.2% increase in July. Prices of non-food goods dropped by 1.5%, the biggest fall in just over three years, while food prices increased by 2.0%, slowing from 2.3% in July. (Source: Reuters)
- **Producer prices in Japan** rose 2.8% Y/Y in July (consensus: an increase of 2.9%) compared to an upwardly revised 3.1% gain in June. On an M/M basis, producer prices rose 0.3%, up from 0.1% in June. Excluding international transportation, producer prices were up 0.3% M/M and 2.7% Y/Y. (Source: RTT News)
- **Oil prices** surged 3.0%, as production cuts in Libya added to supply concerns due to reports of escalating conflict in the Middle East.
- **Gold prices** inched up 0.2% driven by rate cut hopes and safe haven demand, partially offset by stronger US dollar.

## Forex / Currency

Currency / USD	Close	Daily Change%	MTD %	YTD %
Dollar Index	100.85	0.1	-3.1	-0.5
Euro	1.12	-0.3	3.1	1.1
Japanese Yen	144.53	0.1	-3.6	2.5
Sterling Pound	1.32	-0.2	2.6	3.6
Chinese Yuan	7.12	0.1	-1.4	-0.0
Indian Rupee	83.90	-0.0	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	-0.1	-0.1	-0.6
Omani Rial	0.39	0.0	0.0	0.0
Bahraini Dinar	0.38	-0.0	-0.0	-0.0
Egyptian Pound	48.74	-0.1	0.4	57.7

## Corporate Calendar

Date	Company	Event
27-Aug	SIDC	EGM
28-Aug	RIYAD REIT	Eligibility of Cash Dividend
28-Aug	SAB	Cash Dividend Distribution
28-Aug	BUDGET SAUDI	Cash Dividend Distribution
28-Aug	RIYADH CEMENT	Cash Dividend Distribution
28-Aug	EIC	Cash Dividend Distribution

EGM: Extra Ordinary Meeting\*

OGM: Ordinary General Meeting\*

## Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	4,325	0.7	1.3	6.5	8.4
Abu Dhabi (ADX)	9,356	-0.2	0.2	-2.3	16.9
Kuwait (KSE)	7,798	0.4	-1.3	4.3	22.8
Qatar (QE)	10,223	1.2	0.7	-5.6	11.3
Oman (MSM)	4,697	0.2	0.8	4.1	12.1
Bahrain (BSE)	1,929	-0.1	-2.1	-2.2	7.3
Egypt (EGX30)	30,134	0.2	2.6	21.0	7.3

## International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	41,241	0.2	1.0	9.4	23.0
Nasdaq	19,516	-1.0	0.8	16.0	34.4
S&P 500	5,617	-0.3	1.7	17.8	26.3
FTSE 100	8,328	0.0	-0.5	7.7	14.4
Germany DAX 30	18,617	-0.1	0.6	11.1	15.4
France CAC 40	7,590	0.2	0.8	0.6	14.3
Japan Nikkei 225	38,110	-0.7	-2.5	13.9	23.2
Brazil IBOVESPA	136,889	0.9	7.2	2.0	10.4
Hong Kong Hang Seng	17,799	1.1	2.6	4.4	9.9
South Korea KOSPI	2,698	-0.1	-2.6	1.6	15.0
China Shanghai Composite	2,856	0.0	-2.8	-4.0	13.5
Australia ASX 200	8,085	0.8	-0.1	6.5	20.0
India Sensex	81,698	0.8	-0.1	13.1	24.8
MSCI EM	1,104	0.3	1.8	7.9	15.2
MSCI World	3,642	-0.2	2.0	14.9	22.7

## Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	80.59	2.6	-1.8	0.2
Brent Crude (\$/bbl)	81.43	3.0	0.9	5.7
Texas crude (\$/bbl)	77.42	3.5	-0.6	8.1
Natural Gas (\$/mmbtu)	1.96	-3.3	-3.9	-26.8
Gold (\$/oz)	2,518.03	0.2	2.9	22.1
Silver (\$/oz)	29.90	0.3	3.1	25.7
Steel (\$/ton)	670.00	-0.3	-4.8	-41.0
Iron Ore (CNY/MT)	750.00	1.0	-1.8	-28.1
Wheat (\$/bu)	525.00	-0.6	-4.9	-21.5
Corn (\$/bu)	386.50	-1.2	-3.3	-23.2
Sugar (\$/lb)	19.04	3.5	0.5	-7.3
SMP* (EUR/MT)	2,425.00	0.2	2.7	-5.9

\*SMP: Skimmed Milk Powder

## Interbank Rates

Region	Rate*	Daily Change(bps)	MTD (bps)	YTD (bps)
KSA (SAIBOR 1M)	5.83	-9.1	5.1	-8.6
KSA (SAIBOR 3M)	6.14	5.8	-5.9	-9.5
KSA (SAIBOR 6M)	5.84	-3.6	-12.2	-24.0
KSA (SAIBOR 12M)	5.61	1.1	-16.8	-38.8
USA (SOFR 3M)	5.06	-2.0	-18.0	-27.0
UAE (EIBOR 3M)	4.97	-5.0	-26.2	-35.8

Data Sources: Tadawul, Bloomberg, Reuters

Closes as of Aug 26, 2024

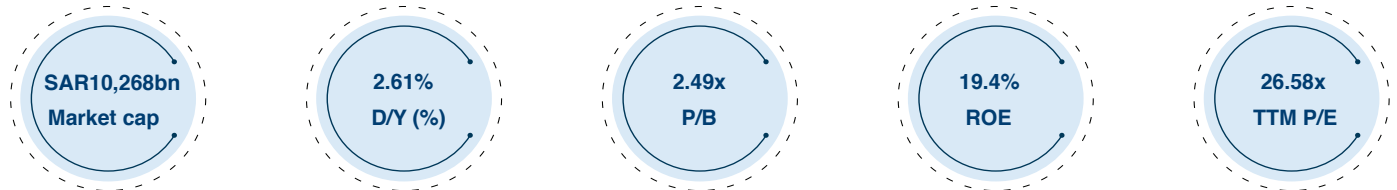


Technical observations	
Index	TASI
Ticker	SASEIDX Index
Last Close	12,261
<b>Short-term view</b>	Profit Booking
52 weeks high/low	12,883 – 10,262

Market data	
Exchange Market Cap. (SAR bn)	10,268.2
Value (SAR mn)	9,008.0
Volume (mn)	351.8
Number of Transactions	582,084
Market Breadth	85 : 137

Key statistics	
1D return %	-0.01%
MTD return %	1.25%
QTD return	4.98%
YTD return	2.45%
ADT vol. 3M* (mn)	327.9
ADT val. 3M (SARmn)	7,958.1

\*ADT stands for Average Daily Traded



Source: Bloomberg, Argaam

## TASI daily chart



Source: Tradingview, Aljazira Capital

## SAUDI MARKET - TOP PICKS FOR THE WEEK

Code	Company	Close*	Buy range	Sell range	Reward %	Stop loss
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No stocks recommendations due to market volatility

\*As of 26<sup>th</sup> August 2024

## TASI market commentary

TASI experienced a marginal decline on Monday; primarily driven by the performance of the Telecommunication services sector (down 0.71%) and the Banks sector (down 0.18%). At close, the Saudi market ended the day with a change of -0.01% at 12,261. In terms of activity, total volumes and value traded were ~352mn and ~SAR 9.0bn, respectively. The advance-decline ratio came in at 85/137.

## Technical outlook

TASI closed the last session near 12,261, marking a modest loss of 2 points. The index experienced a reversed session showing an upward gap at the session's onset, followed by a profit-booking attitude that forced the index to surrender all the gains. TASI formed a Bearish Engulfing candlestick at around the 61.8% Fibonacci level, following a Doji candlestick to indicate a possible further temporary profit booking sentiment. Moreover, the RSI indicator exhibits a negative divergence and tests a declining trendline; indicating a potential near-term profit booking attitude. TASI has an immediate support level of around 12,235. If breached, the subsequent support levels would be around 12,200 - 12,110. On the other hand, an immediate resistance level is observed around 12,320. If successfully surpassed, the subsequent resistance levels to watch for would be around 12,400 – 12,550. TASI started to experience profit booking sentiment after encountering the resistance of the 61.8% Fibonacci level. Accordingly, traders are advised to closely monitor the support level of the previous peak around 12,235 as a breach below this level may trigger further temporary profit booking attitude.

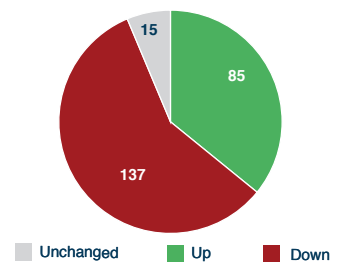
## Key price levels

S3	S2	S1	Pivot	R1	R2	R3
12,025	12,110	12,200	12,235	12,320	12,400	12,550

## Our view



## Market depth



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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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