



## Domestic Market News

- **IMF trimmed KSA's** growth forecast to 1.7% for 2024, compared to 2.6% earlier. It also cut down the 2025 growth from 6% to 4.7%. This sharp cut primarily reflected extension of oil production cuts. (Source: Argaam)
- **KSA and the US** signed strategic cooperation agreement for exploration, peaceful utilization of outer space. It aims to enhance national capabilities in aeronautics, space exploration, and space applications. (Source: Argaam)
- **SHL** signed facility agreement with Al Bilad Bank for SAR 311.8mn, for a period of 10 months. The facility is availed to expand and increase the sales volume through new originated loans. (Source: Tadawul)
- **Marafiq** received acceptance letter from Miahona, approving its inclusion in the consortium with N.V. BESIX S.A. for independent sewage treatment plant project in Riyadh. Marafiq will own 35% of the project company. Total project value is SAR 1,500mn with a duration of 25 years. (Source: Tadawul)
- **SEICO's subsidiary** signed a non-binding MoU with Nama Chemical Company to acquire a share of the capital of its subsidiary company. The MoU will be effective for a period of 4 months. (Source: Tadawul)
- **Tibbiyah's** subsidiary received 2 contracts worth SAR 198.7mn from National Unified Procurement Company to supply feeding pumps and related consumables, upon request. (Source: Tadawul)

## Market Analysis

The **Saudi Stock Exchange** increased by 1.1% to 12,080.4. The value traded stood at SAR 7.3bn (up 0.9% over the previous day), while the advance-decline ratio stood at 140/73. The parallel market index increased 0.3% to 25,919.1 points. The value traded stood at SAR 30.3mn (down 19.0% over the previous day). Most of the sectors in the main market ended in green. Media and Real Estate (up 3.8% and 3.4%, respectively) advanced the most, while Pharma & Bio Tech and Consumer Durables (down 1.5% and 0.1%, respectively) led the laggards.

## Top Gainers

Company	Price	Change%
AYYAN	17.66	10.0
ALSAGR INSURANCE	22.74	10.0
MIAHONA	38.45	7.7
MCDC	109.80	6.4
TAIBA	46.80	6.4

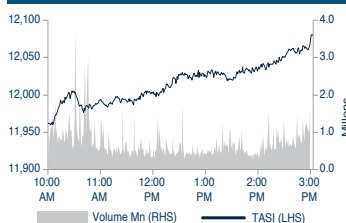
## Top Losers

Company	Price	Change%
ALBAHA	0.12	-7.7
EAST PIPES	160.40	-2.8
ALKHALEEJ TRNG	30.25	-1.9
SAIC	40.70	-1.7
SPIMACO	29.60	-1.7

## Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	12,080	12,080	11,951	1.1	0.4
NomuC	25,919	26,296	25,802	0.3	5.7

## TASI movement during session



## TASI Ratios

P/E* (x)	27.2
Price-to-Book (x)	2.4
Dividend Yield (%)	2.7
Return on Equity (%)	19.1

\*Source: Argaam (Excluding Aramco)

Index	Close	Daily Change%	YTD %	PE (TTM)
Energy	5,345	0.5	-14.2	15.9
Materials	5,911	0.5	-7.5	High
Capital Goods	12,808	0.4	27.0	28.4
Commercial Service	5,063	0.2	-9.2	36.8
Transportation	7,990	1.6	25.8	38.7
Consumer Durables	5,366	-0.1	7.7	Neg
Consumer Services	5,359	1.0	7.7	39.8
Media	32,580	3.8	32.7	High
Consumer Discretionary Ret	7,574	0.6	-12.1	22.4
Consumer Staples Ret	9,294	0.3	-4.9	22.3
Food & Beverages	6,171	0.4	9.7	30.6
Healthcare	13,019	1.0	6.5	46
Pharma & Bio Tech	4,719	-1.5	-3.0	44.5
Banks	11,943	1.2	-2.8	13.5
Financial Services	7,599	0.3	12.8	32.4
Insurance	11,466	1.0	33.4	28
Telecom	7,731	0.3	-0.5	15.1
Utilities	13,557	3.4	36.6	29.3
REITs	3,310	0.4	-9.7	25.7
Real Estate	3,565	3.4	16.6	41.7
Software & Services	72,582	0.3	5.8	42

## Average Index Value

Average days 5	Average days 10	Average days 20	Average value traded for July (bn)
11,897	11,793	11,728	5.9

## Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	20.8	689.00	1,477.40
Previous week	26.4	1,048.40	2,184.70

## Top Weighted Companies

Company	Price	Change%
Saudi Aramco	28.25	0.5
Al Rajhi	83.10	0.4
SNB	37.75	2.4
ACWA POWER	388.00	3.8
ALINMA	32.40	0.8





## International Market News

- **US retail sales** were flat in June, after rising 0.3% in May, but were in-line with the consensus estimate. A sharp pullback in sales was witnessed for motor vehicle and parts dealers, which plunged by 2.0%. Excluding this drop in sales by motor vehicle and parts dealers, retail sales climbed by 0.4%. (Source: Reuters)
- **US import prices** remained unchanged in June, whereas consensus had estimated a 0.2% rise. The prices were flat largely due to a notable decrease by fuel imports. Meanwhile the export prices declined 0.5%, against the consensus estimate of 0.1% decline. Despite the recent declines, the export prices increased 0.7% Y/Y. (Source: RTT News)
- **US business inventories** increased 0.5% in May, against consensus estimate of 0.3%. Bigger than expected rise was driven by 0.6% increase in wholesale and retail inventories, while manufacturing inventories increased 0.2%. (Source: Reuters)
- **US housing market index** dipped to 42 in July from 43 in June, whereas the economists had expected it to inch up to 44. With high mortgage rates continuing to put a damper on sentiment homebuilder confidence in the US edged lower in July. (Source: Investing.com)
- **Oil prices** fell 1.1% on worries of slowing Chinese economy increasing the chances of weakened demand.
- **Gold prices** gained 1.9% on growing expectations of Fed rate cuts in September.

## Forex / Currency

Currency / USD	Close	Daily Change%	MTD %	YTD %
Dollar Index	104.27	0.1	-1.5	2.9
Euro	1.09	0.0	1.7	-1.3
Japanese Yen	158.35	0.2	-1.6	12.3
Sterling Pound	1.30	0.0	2.6	1.9
Chinese Yuan	7.29	0.2	-0.1	2.3
Indian Rupee	83.59	-0.0	0.2	0.5
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	-0.3	-0.5
Omani Rial	0.38	0.0	-0.0	0.0
Bahraini Dinar	0.38	-0.0	-0.0	-0.0
Egyptian Pound	48.04	0.1	0.0	55.4

## Corporate Calendar

Date	Company	Event
17-Jul	BUPA ARABIA	Cash Dividend Distribution
18-Jul	CENOMI CENTERS	Cash Dividend Distribution
18-Jul	NGC	EGM
18-Jul	ZAIN KSA	Cash Dividend Distribution
18-Jul	ALINMA RETAIL REIT	Eligibility of Cash Dividend
21-Jul	ALDAWLIAH	Cash Dividend Distribution

EGM: Extra Ordinary Meeting\*

OGM: Ordinary General Meeting\*

## Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	4,110	-0.1	2.0	1.2	8.1
Abu Dhabi (ADX)	9,156	0.1	1.1	-4.4	18.4
Kuwait (KSE)	7,765	-0.2	2.9	3.9	21.7
Qatar (QE)	10,194	-0.0	2.3	-5.9	11.5
Oman (MSM)	4,690	-0.1	0.1	3.9	11.5
Bahrain (BSE)	1,986	0.2	-2.0	0.7	7.7
Egypt (EGX30)	27,829	-0.4	0.2	11.8	7.8

## International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	40,954	1.8	4.7	8.7	23.5
Nasdaq	20,399	0.1	3.6	21.2	36.0
S&P 500	5,667	0.6	3.8	18.8	26.5
FTSE 100	8,165	-0.2	0.0	5.6	14.3
Germany DAX 30	18,518	-0.4	1.5	10.5	16.3
France CAC 40	7,580	-0.7	1.3	0.5	13.2
Japan Nikkei 225	41,275	0.2	4.3	23.3	26.5
Brazil IBOVESPA	129,110	-0.2	4.2	-3.8	9.5
Hong Kong Hang Seng	17,728	-1.6	0.1	4.0	9.9
South Korea KOSPI	2,866	0.2	2.4	7.9	16.9
China Shanghai Composite	2,976	0.1	0.3	0.0	14.1
Australia ASX 200	7,999	-0.2	3.0	5.4	19.8
India Sensex	80,717	0.1	2.1	11.7	25.4
MSCI EM	1,117	-0.3	2.9	9.1	16.2
MSCI World	3,643	0.4	3.7	14.9	22.8

## Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	86.57	-1.1	-1.7	7.6
Brent Crude (\$/bbl)	83.73	-1.3	-3.1	8.7
Texas crude (\$/bbl)	80.76	-1.4	-1.0	12.7
Natural Gas (\$/mmbtu)	2.19	1.4	-15.9	-18.9
Gold (\$/oz)	2,469.08	1.9	6.1	19.7
Silver (\$/oz)	31.25	1.9	7.2	31.3
Steel (\$/ton)	660.00	-0.3	-2.1	-41.9
Iron Ore (CNY/MT)	833.50	-1.1	0.7	-20.1
Wheat (\$/bu)	530.75	-0.3	-7.5	-19.1
Corn (\$/bu)	408.75	1.1	-2.9	-18.8
Sugar (\$/lb)	19.62	-0.7	-3.3	-4.4
SMP* (EUR/MT)	2,378.00	-0.1	-1.9	-7.7

\*SMP: Skimmed Milk Powder

## Interbank Rates

Region	Rate*	Daily Change(bps)	MTD (bps)	YTD (bps)
KSA (SAIBOR 1M)	5.76	0.5	-9.3	-15.7
KSA (SAIBOR 3M)	6.20	0.1	-3.2	-3.4
KSA (SAIBOR 6M)	5.96	1.1	-5.2	-11.6
KSA (SAIBOR 12M)	5.79	-1.5	-7.5	-19.9
USA (SOFR 3M)	5.28	-0.7	-4.5	-5.2
UAE (EIBOR 3M)	5.23	2.2	-7.1	-10.1

Data Sources: Tadawul, Bloomberg, Reuters

Closes as of July 16, 2024





## Technical observations

Index	TASI
Ticker	SASEIDX Index
Last Close	12,080
Short-term view	Buy
52 weeks high/low	12,883 – 10,262

## Market data

Exchange Market Cap. (SAR bn)	10,264.7
Value (SAR mn)	7,254.9
Volume (mn)	230.6
Number of Transactions	502,369
Market Breadth	140 : 73

## Key statistics

1D return %	1.11%
MTD return %	3.43%
QTD return	3.43%
YTD return	0.94%
ADT vol. 3M* (mn)	306.2
ADT val. 3M (SARmn)	7,686.2

\*ADT stands for Average Daily Traded

## TASI market commentary

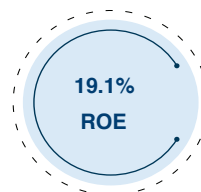
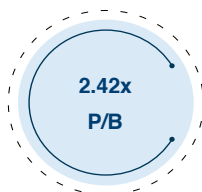
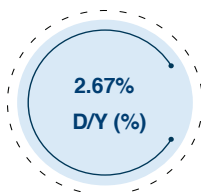
- TASI experienced a rise on Tuesday; primarily driven by the performance of the Banks sector (up 1.18%) and the Energy sector (up 0.54%). At close, the Saudi market ended the day with a change of 1.11% at 12,080. In terms of activity, total volumes and value traded were ~231 mn and ~SAR 7.3bn, respectively. The advance-decline ratio came in at 140/73.

## Technical outlook

- TASI closed the last session near 12,080, marking a substantial gain of 133 points. The index experienced a robust buying power that drove it higher to record the ninth consecutive rising session. TASI has penetrated the upper boundary of the short-term rising channel near the resistance level of around 12,060, paving the way for a potential further rise toward the resistance zone around 12,190 – 12,235. Moreover, TASI formed a bullish Marubozu candlestick, signifying a powerful buying sentiment prevailing in the market. Meanwhile, the RSI indicator continues to display positive movement above the level of 50. TASI has an immediate resistance level of around 12,155. If successfully surpassed, the subsequent resistance levels to watch for would be around 12,190 – 12,235. On the other hand, an immediate support level is observed around 12,060. If breached, the subsequent support levels would be around 11,950 – 11,900. TASI has just penetrated the upper boundary of the short-term rising channel near the resistance level of around 12,060, suggesting a potential further upward movement. Consequently, traders are advised to buy and closely monitor the resistance zone around 12,190– 12,235.

## Key price levels

S3	S2	S1	Pivot	R1	R2	R3
11,790	11,900	11,950	12,060	12,155	12,190	12,235



Source: Bloomberg, Argaam

## TASI daily chart

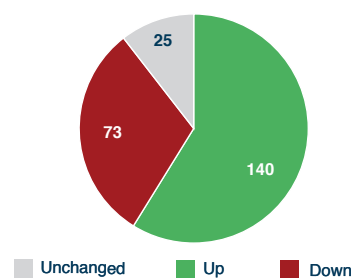


Source: Tradingview, Aljazira Capital

## Our view



## Market depth





## SAUDI MARKET - TOP PICKS FOR THE DAY

Code	Company	Close*	Buy range	Sell range	Stop loss
4263	SAL	324.00	323.20 – 324.00	326.80 – 335.00	319.80
4291	National Company for Learning and Education	189.20	188.80 – 189.20	190.80 – 194.00	186.80
2223	LUBEREF	135.20	134.80 – 135.20	136.40 – 138.00	133.60
2082	ACWA Power	388.00	387.00 – 388.00	391.40 – 396.00	383.00
1810	Seera	26.65	26.60 – 26.65	26.90 – 27.20	26.30
4210	Saudi Research and Media Group	262.00	261.40 – 262.00	264.20 – 267.40	258.60
4001	Abdullah Al Othaim Markets	11.48	11.46 – 11.48	11.58 – 11.70	11.34
2140	AYYAN	17.66	17.62 – 17.66	17.82 – 18.00	17.44

\*As of 16<sup>th</sup> July 2024

\* Note – Stop loss is based on an intraday basis

## CHARTS OF THE DAY

## Technical observations

**SAL** has just penetrated the level of the prior minor peak after bouncing off its 10-day SMA. Moreover, all the technical indicators show bullish structure.

## SAL Saudi Logistics Services Co. (SAL)



Source: Tradingview, Aljazira Capital

## Technical observations

**NCLE** has penetrated the level of the previous peak after bouncing off its 10-day SMA. Moreover, all the technical indicators show bullish structure.

## National Company for Learning and Education (NCLE)



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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