



Major Economic News

- **OPEC+** agreed to extend their oil output cuts from January 01, 2025, to December 31, 2025. OPEC+ member states, which had earlier (in November 2023) announced additional voluntary cuts agreed to extend their voluntary cuts of 2.2mn bpd until the end of next September. The size of this reduction will then be restored gradually on a monthly basis, until the end of September 2025. (Source: Argaam)

Major Corporate News

- **Prefect Presentation for Commercial Services Co. (2P)** signed a new Shariah-compliant credit facility agreement worth SAR 135.0mn with Alinma Bank. The facility is valid until June 01, 2025. The finance will be used to fund newly awarded projects, alongside issuing letters of guarantee and credit as well as invoice financing. (Source: Tadawul)
- **Seera Group Holding's** shareholders approved the buyback of up to 26.4mn ordinary shares during the extraordinary general meeting. The repurchased shares will be retained as treasury shares. The board of directors considers the stock price in the market to be less than its fair value. The repurchase will be financed from the company's own resources. (Source: Tadawul)
- **Saudi Aramco's** secondary public offering of USD 12.0bn ordinary shares was fully covered within hours since the start of the book-building process, according to Bloomberg report. (Source: Argaam)

Market Analysis

The **Saudi Stock Exchange** increased 1.1% on Sunday to 11,625.1. The value traded stood at SAR 5.6bn (down 57.3% over the previous day), while the advance-decline ratio stood at 115/105. The parallel market index decreased 1.9% to 26,118.2 points. The value traded stood at SAR 68.8mn (up 89.1% over the previous day). Most sectors in the main market ended in green. Software & Services and Healthcare (up 6.3% and 5.6%, respectively) advanced the most; while Energy and Media (down 1.8% and 1.3%, respectively) led the laggards.

Top Gainers

| Company | Price | Change% |
|------------|--------|---------|
| EAST PIPES | 163.00 | 9.0 |
| SHAKER | 27.15 | 8.6 |
| MOUWASAT | 116.20 | 8.6 |
| ELM | 860.00 | 7.9 |
| ALBAHA | 0.14 | 7.7 |

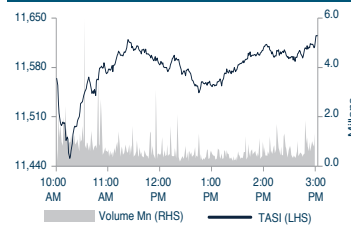
Top Losers

| Company | Price | Change% |
|------------------|--------|---------|
| ASTRA INDUSTRIAL | 147.00 | -3.9 |
| TASNEE | 11.38 | -3.2 |
| MAADEN | 45.00 | -2.6 |
| SPM | 78.30 | -2.5 |
| ATHEEB TELECOM | 104.20 | -2.4 |

Saudi Stock Exchange

| Index | Closing | High | Low | Daily Change% | YTD % |
|-------|---------|--------|--------|---------------|-------|
| TASI | 11,625 | 11,625 | 11,444 | 1.1 | (3.4) |
| NomuC | 26,118 | 26,624 | 26,118 | (1.9) | 6.5 |

TASI movement during session



TASI Ratios

| | |
|----------------------|------|
| P/E* (x) | 26.2 |
| Price-to-Book (x) | 2.3 |
| Dividend Yield (%) | 2.8 |
| Return on Equity (%) | 19.1 |

*Source: Argaam (Excluding Aramco)

| Index | Close | Daily Change% | YTD % | PE (TTM) |
|----------------------------|--------|---------------|-------|----------|
| Energy | 5,375 | -1.8 | -13.7 | 16 |
| Materials | 5,817 | -0.1 | -9.0 | High |
| Capital Goods | 11,810 | 0.6 | 17.1 | 26 |
| Commercial Service | 4,816 | 1.9 | -13.7 | 41.7 |
| Transportation | 7,029 | 0.7 | 10.7 | 33.5 |
| Consumer Durables | 5,292 | -0.5 | 6.3 | Neg |
| Consumer Services | 5,014 | 0.3 | 0.7 | 38 |
| Media | 26,190 | -1.3 | 6.7 | 46 |
| Consumer Discretionary Ret | 7,486 | 0.6 | -13.1 | 22.3 |
| Consumer Staples Ret | 9,323 | 0.7 | -4.6 | 22.3 |
| Food & Beverages | 5,824 | 2.2 | 3.5 | 28.9 |
| Healthcare | 12,692 | 5.6 | 3.8 | 44.1 |
| Pharma & Bio Tech | 4,587 | -0.8 | -5.8 | 42.3 |
| Banks | 11,138 | 1.2 | -9.4 | 12.6 |
| Financial Services | 7,703 | 0.7 | 14.4 | 32.8 |
| Insurance | 10,349 | 2.2 | 20.4 | 24.1 |
| Telecom | 7,279 | 2.3 | -6.3 | 14.1 |
| Utilities | 14,272 | 3.6 | 43.8 | 30.6 |
| REITs | 3,223 | -1.1 | -12.1 | 25.1 |
| Real Estate | 3,312 | 1.3 | 8.4 | 39.3 |
| Software & Services | 69,606 | 6.3 | 1.5 | 40.3 |

Average Index Value

| Average days 5 | Average days 10 | Average days 20 | Average value traded for May (bn) |
|----------------|-----------------|-----------------|-----------------------------------|
| 11,663 | 11,857 | 12,057 | 6.48 |

Market Statistics

| | Value Traded (SAR bn) | Volumes (mn shares) | No. of Trades ('000) |
|---------------|-----------------------|---------------------|----------------------|
| Current Week | 5.6 | 223.90 | 473.40 |
| Previous week | 35 | 1,250.70 | 2,548.20 |

Top Weighted Companies

| Company | Price | Change% |
|--------------|--------|---------|
| Al Rajhi | 75.60 | -0.7 |
| Saudi Aramco | 28.45 | -1.9 |
| SNB | 34.45 | 1.8 |
| ACWA POWER | 420.00 | 4.4 |
| ALINMA | 31.35 | 2.5 |





International Market News

- **US GDP** growth slowed by more than previously estimated in Q1-24 as per the revised data. The GDP expanded 1.3% in Q1-24 (in line with consensus) compared to the previously reported 1.6% increase and 3.4% growth in Q4-23. The slower than earlier estimated growth reflected downward revisions to consumer spending, private inventory investment and federal government spending. (Source: RTT News)
- **US pending home sales** index plunged by 7.7% to 72.3 in April (consensus: 0.6% decline) after rising by 3.6% to an upwardly revised 78.3 in March. (Source: RTT News)
- **Eurozone CPI (flash)** increased 2.6% in May compared to a 2.4% rise in April. Core inflation, which excludes energy, food, alcohol and tobacco, accelerated to 2.9% (consensus: 2.7%) in May vs. 2.7% in April. The headline and core inflation accelerated in May largely driven by higher services costs. (Source: CNBC)
- **China's Caixin manufacturing PMI** rose to 51.7 in May from 51.4 in April, registering the fastest pace of expansion since June 2022. The companies in the consumer segment witnessed a sharp output growth. The production gains and new orders were seen particularly at smaller firms. (Source: Reuters)
- **Japan's manufacturing PMI** increased to 50.4 in May from 49.6 in April. The level of new orders placed with Japanese manufacturers was broadly stable in May, with some companies noting a recovery in new business intakes at their units. (Source: RTT News).

Forex / Currency

| Currency / USD | Close | Daily Change% | MTD % | YTD % |
|----------------|--------|---------------|-------|-------|
| Dollar Index | 104.67 | 0.0 | 0.0 | 3.3 |
| Euro | 1.08 | 0.0 | 0.0 | -1.7 |
| Japanese Yen | 157.31 | 0.0 | 0.0 | 11.5 |
| Sterling Pound | 1.27 | 0.0 | 0.0 | 0.1 |
| Chinese Yuan | 7.26 | 0.0 | 0.0 | 1.9 |
| Indian Rupee | 83.47 | 0.0 | 0.0 | 0.3 |
| 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 | -0.1 |
| Omani Rial | 0.39 | 0.0 | 0.0 | 0.0 |
| Bahraini Dinar | 0.38 | 0.0 | 0.0 | 0.0 |
| Egyptian Pound | 47.25 | 0.0 | 0.0 | 52.9 |

Corporate Calendar

| Date | Company | Event |
|--------|-------------------|------------------------------|
| 30-May | ALBABTAIN | Eligibility of Cash Dividend |
| 30-May | SAUDI ELECTRICITY | Cash Dividend Distribution |
| 30-May | MULKIA REIT | Cash Dividend Distribution |
| 30-May | AL RAJHI REIT | Cash Dividend Distribution |
| 30-May | SEERA | EGM |
| 2-Jun | SPIMACO | EGM |

EGM: Extra Ordinary Meeting*

OGM: Ordinary General Meeting*

Regional Markets

| Market | Close | Daily Change% | MTD % | YTD % | P/E |
|-----------------|--------|---------------|-------|-------|------|
| Dubai (DFM) | 3,978 | 0.0 | 0.0 | -2.0 | 7.8 |
| Abu Dhabi (ADX) | 8,863 | 0.0 | 0.0 | -7.5 | 17.8 |
| Kuwait (KSE) | 7,697 | 0.2 | 0.2 | 2.9 | 20.8 |
| Qatar (QE) | 9,385 | 0.7 | 0.7 | -13.3 | 10.6 |
| Oman (MSM) | 4,833 | -0.3 | -0.3 | 7.1 | 12.9 |
| Bahrain (BSE) | 2,034 | -0.3 | -0.3 | 3.2 | 7.8 |
| Egypt (EGX30) | 26,870 | -0.2 | -0.2 | 7.9 | 10.3 |

International Markets

| Index | Close | Daily Change% | MTD % | YTD % | P/E |
|--------------------------|--------|---------------|-------|-------|------|
| Dow Jones | 38,686 | 0.0 | 0.0 | 2.6 | 22.2 |
| Nasdaq | 18,537 | 0.0 | 0.0 | 10.2 | 32.0 |
| S&P 500 | 5,278 | 0.0 | 0.0 | 10.6 | 24.6 |
| FTSE 100 | 8,275 | 0.0 | 0.0 | 7.0 | 14.9 |
| Germany DAX 30 | 18,498 | 0.0 | 0.0 | 10.4 | 16.3 |
| France CAC 40 | 7,993 | 0.0 | 0.0 | 6.0 | 13.9 |
| Japan Nikkei 225 | 38,488 | 0.0 | 0.0 | 15.0 | 27.0 |
| Russia MOEX | 3,217 | 0.0 | 0.0 | 3.8 | 4.6 |
| Hong Kong Hang Seng | 18,080 | 0.0 | 0.0 | 6.1 | 10.1 |
| South Korea KOSPI | 2,637 | 0.0 | 0.0 | -0.7 | 15.5 |
| China Shanghai Composite | 3,087 | 0.0 | 0.0 | 3.8 | 14.0 |
| Australia ASX 200 | 7,702 | 0.0 | 0.0 | 1.5 | 19.4 |
| India Sensex | 73,961 | 0.0 | 0.0 | 2.4 | 23.2 |
| MSCI EM | 1,049 | 0.0 | 0.0 | 2.5 | 15.0 |
| MSCI World | 3,445 | 0.0 | 0.0 | 8.7 | 21.6 |

Commodity Markets

| Commodity | Price | Daily Change% | MTD % | YTD % |
|---------------------------|----------|---------------|-------|-------|
| Arab Light Crude (\$/bbl) | 84.37 | 0.0 | -5.7 | 4.9 |
| Brent Crude (\$/bbl) | 81.62 | 0.0 | 0.0 | 5.9 |
| Texas crude (\$/bbl) | 76.99 | 0.0 | 0.0 | 7.5 |
| Natural Gas (\$/mmbtu) | 2.59 | 0.0 | 0.0 | -2.5 |
| Gold (\$/oz) | 2,327.33 | 0.0 | 0.0 | 12.8 |
| Silver (\$/oz) | 30.41 | 0.0 | 0.0 | 27.8 |
| Steel (\$/ton) | 761.00 | 0.0 | 0.0 | -33.0 |
| Iron Ore (CNY/MT) | 884.00 | 0.0 | 0.0 | -15.2 |
| Wheat (\$/bu) | 678.50 | 0.0 | 0.0 | 5.1 |
| Corn (\$/bu) | 446.25 | 0.0 | 0.0 | -9.7 |
| Sugar (\$/lb) | 18.30 | 0.0 | 0.0 | -10.3 |
| SMP* (EUR/MT) | 2,431.00 | 0.0 | 0.0 | -5.7 |

*SMP: Skimmed Milk Powder

Interbank Rates

| Region | Rate* | Daily Change(bps) | MTD (bps) | YTD (bps) |
|------------------|-------|-------------------|-----------|-----------|
| KSA (SAIBOR 1M) | 5.90 | 2.9 | 2.9 | -1.3 |
| KSA (SAIBOR 3M) | 6.26 | 3.1 | 3.1 | 3.2 |
| KSA (SAIBOR 6M) | 6.13 | 2.1 | 2.1 | 5.7 |
| KSA (SAIBOR 12M) | 5.90 | 1.7 | 1.7 | -9.5 |
| USA (SOFR 3M) | 5.34 | 0.0 | 1.5 | 1.1 |
| UAE (EIBOR 3M) | 5.32 | 0.0 | 0.7 | -0.5 |

Data Sources: Tadawul, Bloomberg, Reuters

Closes as of June 2, 2024





Technical observations

| | |
|-------------------|-----------------|
| Index | TASI |
| Ticker | SASEIDX Index |
| Last Close | 11,625 |
| Short-term view | Cautious |
| 52 weeks high/low | 12,883 – 10,262 |

Market data

| | |
|-------------------------------|----------|
| Exchange Market Cap. (SAR bn) | 10,153.4 |
| Value (SAR mn) | 5,609.6 |
| Volume (mn) | 223.9 |
| Number of Transactions | 473,444 |
| Market Breadth | 138 : 81 |

Key statistics

| | |
|---------------------|---------|
| 1D return % | 1.06% |
| MTD return % | 1.06% |
| QTD return | -6.26% |
| YTD return | -2.86% |
| ADT vol. 3M* (mn) | 316.2 |
| ADT val. 3M (SARmn) | 7,808.7 |

*ADT stands for Average Daily Traded

TASI market commentary

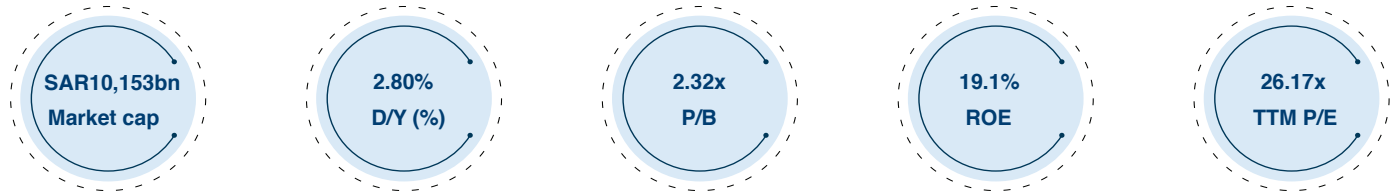
- TASI experienced a rise on Sunday; primarily driven by the performance of the Telecommunication services sector (up 2.34%) and the Banks sector (up 1.21%). At close, the Saudi market ended the day with a change of 1.06% at 11,625. In terms of activity, total volumes and value traded were ~224mn and ~SAR 5.6bn, respectively. The advance-decline ratio came in at 138/81.

Technical outlook

- TASI closed the last session near 11,625, registering a significant gain of 122 points. Despite reaching a lower low, a resurgence of buying power recouped the session's losses and forced the index to close at the high. TASI formed a Hammer candlestick, which requires confirmation through a subsequent bullish candlestick pattern to signal a potential temporary positive rebound within the prevailing selling pressure towards the resistance zone of the previous bottom and the 10-day SMA near 11,770 – 11,855. Moreover, the RSI indicator is still hovering within the oversold zone below the level of 30. TASI has an immediate resistance level of around 11,665. If successfully surpassed, the subsequent resistance levels to watch for would be around 11,770– 11,855. On the other hand, an immediate support level is observed around 11,465. If breached, the subsequent support levels would be around 11,365 – 11,260. Traders are advised to approach trading cautiously as long as the index maintains trading below the resistance zone of the previous bottom and the 10-day SMA around 11,770 – 11,855.

Key price levels

| S3 | S2 | S1 | Pivot | R1 | R2 | R3 |
|--------|--------|--------|--------|--------|--------|--------|
| 11,260 | 11,365 | 11,465 | 11,570 | 11,665 | 11,770 | 11,855 |



Source: Bloomberg, Argaam

TASI daily chart

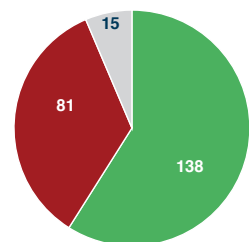


Source: Tradingview, Aljazira Capital

Our view



Market depth



■ Unchanged
 ■ Up
 ■ Down





SAUDI MARKET - TOP PICKS FOR THE DAY

| Code | Company | Close* | Buy range | Sell range | Stop loss |
|------|-----------------------|--------|-----------------|-----------------|-----------|
| 2200 | Arabian Pipes Company | 169.00 | 168.60 – 169.00 | 170.60 – 173.00 | 166.80 |
| 8230 | Alrajhi Takaful | 156.00 | 155.60 – 156.00 | 157.40 – 160.40 | 154.20 |
| 8200 | Saudi Reinsurance | 26.25 | 26.20 – 26.25 | 26.50 – 26.80 | 25.95 |
| 4020 | Alakaria | 20.00 | 19.96 – 20.00 | 20.18 – 20.40 | 19.76 |
| 1304 | Al Yamamah Steel | 34.80 | 34.70 – 34.80 | 35.10 – 35.50 | 34.40 |
| 2270 | SADAFCO | 345.80 | 345.00 – 345.80 | 348.80 – 352.80 | 341.40 |
| 6070 | ALJOUF | 65.70 | 65.60 – 65.70 | 66.30 – 67.00 | 64.90 |

*As of 02nd June 2024

* Note – Stop loss is based on an intraday basis

CHARTS OF THE DAY

Technical observations

APC started to bounce off a rising trendline and penetrated its 10-day SMA. Moreover, all the technical indicators show bullish structure.

Arabian Pipes Company (APC)



Source: Tradingview, Aljazira Capital

Technical observations

ALRAJHI TAKAFUL bounced off the 20-day SMA and penetrated the level of the prior minor peak. Moreover, all the technical indicators show bullish structure.

Al-Rajhi Company for Cooperative Insurance (ALRAJHI TAKAFUL)



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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