



Domestic Market News

- **IMF** cut its growth forecast for KSA's economy to 1.5% for 2024, from 1.7% previously. While the economy is expected to grow at 4.6% in 2025, compared to the earlier estimate of 4.7%. (Source: Argaam)
- **KSA's** Ministry of Industry opened bidding to local and international players for 7 new mineral exploration licenses in Makkah and Riyadh region. (Source: Argaam)
- **KSA's** exports of chemicals and related products increased 1% Y/Y to SAR 6.5bn in July. China topped the list of importers with 15.1% share of the total exports. India and UAE followed at 14.3% and 7.4% share, respectively. (Source: Argaam)
- **Waja** appoints Eng. Ammar Salem Al-Nahdi as the new CEO. He has previously worked in private sector with extensive experience in project management and mechanical engineering. (Source: Tadawul)
- **Sure Tech** signed SAR 9.9mn IT operation and support project contract with National Center for Non-Profit Sector Development. The positive financial impact to be reflected over FY24-25. (Source: Tadawul)
- **View** purchased 2,700 sqmt land in Al-Narjis for SAR 27mn. 66% of the cost to be funded by banking facility agreement, while balance 34% to funded internally. (Source: Tadawul)
- **WSM** obtained SAR 8.5mn financing from Social Development Bank, to support the company's operational cycles. (Source: Tadawul).

Earnings update (Net Profit) (SAR mn)

Company	Q3-24	Q3-23	Y/Y %	Q2-24	Q/Q %
BSF	1,148.0	1,245.5	-7.83	1,129.2	1.67
ANB	1,243.0	1,075.9	15.53	1,230.8	0.99
BANK ALBILAD	702.7	616.2	14.0	670.8	4.8

Market Analysis

- The Saudi Stock Exchange decreased 0.4% to 11,957.0. The value traded stood at SAR 5.5bn (down 5.7% over the previous day), while advance-decline ratio stood at 56/165. The parallel market index decreased 1.2% to 26,405.2 points. The value traded stood at SAR 64.0mn (down 45.4% over the previous day). Most of the sectors in the main market ended in red. Transportation and Banks (up 0.5% and 0.3%, respectively), while Pharma & Bio Tech and Healthcare (down 2.0% and 1.8%, respectively) declined the most.

Top Gainers

Company	Price	Change%
CHEMANOL	18.04	7.8
ALBAHA	0.29	7.4
SISCO HOLDING	32.05	6.1
SADR	3.76	3.0
ALANDALUS	25.00	2.7

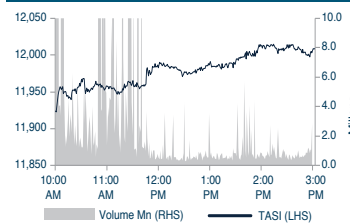
Top Losers

Company	Price	Change%
DWF	136.00	-4.9
ALMAJED OUD	154.80	-3.3
ALARABIA	181.00	-3.2
DAR ALARKAN	14.52	-3.1
RETAL	14.44	-3.0

Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	11,957	12,023	11,942	-0.4	-0.7
NomuC	26,405	26,780	26,201	-1.2	7.6

TASI movement during session



TASI Ratios

P/E* (x)	25.9
Price-to-Book (x)	2.4
Dividend Yield (%)	2.7
Return on Equity (%)	19.3

*Source: Argaam (Excluding Aramco)

Index	Close	Daily Change%	YTD %	PE (TTM)
Energy	5,124	-0.4	-17.8	15.3
Materials	5,842	-0.9	-8.6	High
Capital Goods	13,634	0.2	35.2	27.8
Commercial Service	4,979	0.3	-10.7	38
Transportation	7,460	0.5	17.4	34.5
Consumer Durables	5,306	-1.3	6.5	Neg
Consumer Services	5,098	-1.5	2.4	39.5
Media	34,210	-1.3	39.3	49.4
Consumer Discretionary Ret	8,118	0.1	-5.8	23
Consumer Staples Ret	9,340	-0.8	-4.4	23.3
Food & Beverages	6,044	-1.2	7.4	29
Healthcare	12,344	-1.8	1.0	41.1
Pharma & Bio Tech	5,141	-2.0	5.6	43.4
Banks	11,568	0.3	-5.9	12.6
Financial Services	8,146	-0.1	21.0	32.3
Insurance	10,306	-0.6	19.9	24.8
Telecom	8,023	-0.4	3.3	15.5
Utilities	14,709	-1.0	48.2	30.4
REITs	3,231	-0.3	-11.9	26.8
Real Estate	3,734	-0.9	22.2	45.3
Software & Services	78,022	-0.5	13.8	41.2

Average Index Value

Average days 5	Average days 10	Average days 20	Average value traded for October (bn)
11,959	11,975	12,046	6.68

Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	15.8	1,992.00	1,251.00
Previous week	34.7	3,774.10	2,531.50

Top Weighted Companies

Company	Price	Change%
Saudi Aramco	27.00	-0.4
Al Rajhi	85.80	0.9
ACWA POWER	437.40	-1.1
SNB	34.85	-0.1
STC	42.05	-0.9





International Market News

- **US** leading economic index slid by 0.5% in September, after falling by 0.3% in August. Economists had expected the index to decrease by 0.3%. Weakness in factory new orders continued to be a major drag on the index as the global manufacturing slump persists. (Source: Reuters)
- **Europe** new car sales decreased 6.1% in September, marking the second consecutive decrease, albeit slower than 18.3% fall in August. There were negative results across 3 out of 4 major markets, with sales in France plunging the highest. (Source: RTT News)
- **ECB** policymakers have begun to debate whether interest rates need to be lowered enough to start stimulating the economy. Policymakers have so far said the goal is a neutral setting, where the central bank is neither slowing nor stimulating growth in the hopes this will keep inflation stable. (Source: Investing.com)
- **UK** public sector net borrowing rose to GBP 16.6bn in September, marking the third-highest September borrowing since records began in January 1993. Despite increased tax revenue, spending surged due to higher debt interest and public sector pay rises. (Source: CNBC)
- Growth in pay awards by **British** employers stagnated during the three months to September and firms expect average wage rises to cool over the next 12 months. Experts believe that pay awards are expected to decline in 2025, but businesses are continuing to find creative ways to support their workforce. (Source: Reuters)
- **Oil prices** gained 2.4% as conflicts in the Middle East increase thereby causing concerns about supply.
- **Gold prices** gained 1.1% supported by rising geopolitical tensions and expectations of further rate cuts by the Fed.

Forex / Currency

Currency / USD	Close	Daily Change%	MTD %	YTD %
Dollar Index	104.08	0.1	3.3	2.7
Euro	1.08	-0.1	-3.0	-2.2
Japanese Yen	151.08	0.2	5.2	7.1
Sterling Pound	1.30	-0.0	-2.9	2.0
Chinese Yuan	7.14	-0.0	1.8	0.1
Indian Rupee	84.08	0.0	0.3	1.0
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	0.4	-0.3
Omani Rial	0.38	-0.0	-0.0	-0.0
Bahraini Dinar	0.38	-0.0	0.0	0.0
Egyptian Pound	48.68	0.1	0.8	57.5

Corporate Calendar

Date	Company	Event
23-Oct	MUNAWLA	EGM
24-Oct	SALAMA	EGM
27-Oct	NETWORKERS	EGM
28-Oct	SAUDI CABLE	EGM
28-Oct	MULKIA REIT	Eligibility of Cash Dividend
28-Oct	ALBABTAIN FOOD	EGM

EGM: Extra Ordinary Meeting*

OGM: Ordinary General Meeting*

Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	4,467	-0.2	-0.8	10.0	8.6
Abu Dhabi (ADX)	9,246	-0.3	-1.9	-3.5	16.8
Kuwait (KSE)	7,513	-0.2	-2.5	0.5	22.0
Qatar (QE)	10,573	-0.3	-0.4	-2.4	11.7
Oman (MSM)	4,796	-0.1	1.8	6.2	12.6
Bahrain (BSE)	1,990	-0.2	-1.1	0.9	7.8
Egypt (EGX30)	30,427	-0.1	-3.7	22.2	8.0

International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	42,925	-0.0	1.4	13.9	23.3
Nasdaq	20,384	0.1	1.6	21.1	34.7
S&P 500	5,851	-0.0	1.5	22.7	26.7
FTSE 100	8,307	-0.1	0.8	7.4	14.7
Germany DAX 30	19,422	-0.2	0.5	15.9	16.2
France CAC 40	7,535	-0.0	-1.3	-0.1	13.9
Japan Nikkei 225	38,412	-1.4	1.3	14.8	23.1
Brazil IBOVESPA	129,951	-0.3	-1.4	-3.2	9.8
Hong Kong Hang Seng	20,499	0.1	-3.0	20.2	11.0
South Korea KOSPI	2,571	-1.3	-0.9	-3.2	13.2
China Shanghai Composite	3,286	0.5	-1.5	10.5	15.9
Australia ASX 200	8,206	-1.7	-0.8	8.1	21.1
India Sensex	80,221	-1.1	-4.8	11.0	24.4
MSCI EM	1,142	-0.5	-2.4	11.6	16.0
MSCI World	3,731	-0.2	0.2	17.7	23.2

Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	75.53	1.1	1.2	-6.1
Brent Crude (\$/bbl)	76.04	2.4	5.9	-1.3
Texas crude (\$/bbl)	72.09	2.2	5.8	0.6
Natural Gas (\$/mmbtu)	2.31	-0.0	-20.9	-25.2
Gold (\$/oz)	2,749.01	1.1	4.3	33.3
Silver (\$/oz)	34.86	3.2	11.9	46.5
Steel (\$/ton)	705.00	0.0	-4.1	-37.9
Iron Ore (CNY/MT)	767.50	-3.3	-3.1	-26.4
Wheat (\$/bu)	576.00	0.7	-1.4	-13.9
Corn (\$/bu)	416.50	1.7	-1.9	-17.3
Sugar (\$/lb)	21.73	-0.5	-3.3	4.9
SMP* (EUR/MT)	2,500.00	-0.5	-4.8	-3.0

*SMP: Skimmed Milk Powder

Interbank Rates

Region	Rate*	Daily Change(bps)	MTD (bps)	YTD (bps)
KSA (SAIBOR 1M)	5.46	-1.8	-4.5	-45.4
KSA (SAIBOR 3M)	5.61	1.0	3.4	-62.6
KSA (SAIBOR 6M)	5.44	2.2	-4.2	-63.1
KSA (SAIBOR 12M)	5.17	-0.5	-8.9	-82.0
USA (SOFR 3M)	4.63	0.8	4.3	-69.7
UAE (EIBOR 3M)	4.49	-18.5	-16.0	-83.3

Data Sources: Tadawul, Bloomberg, Reuters

Closes as of Oct 22, 2024



Technical observations

Index	TASI
Ticker	SASEIDX Index
Last Close	11,957
Short-term view	Cautious Buy
52 weeks high/low	12,883 – 10,262

Market data

Exchange Market Cap. (SAR bn)	9,986.9
Value (SAR mn)	5,464.8
Volume (mn)	504.1
Number of Transactions	442,598
Market Breadth	56 : 165

Key statistics

1D return %	-0.43%
MTD return %	-2.20%
QTD return	-2.20%
YTD return	-0.09%
ADT vol. 3M* (mn)	484.4
ADT val. 3M (SARmn)	7,034.5

*ADT stands for Average Daily Traded

TASI market commentary

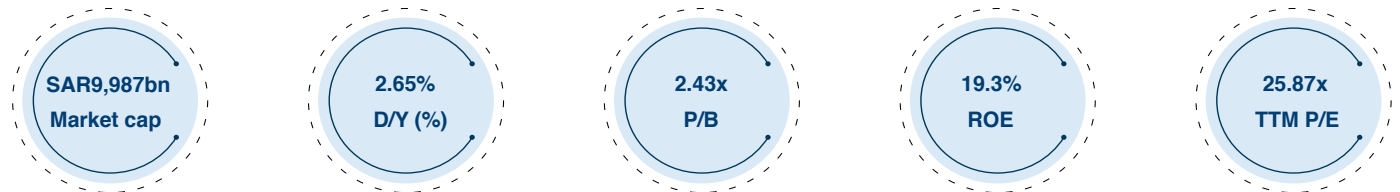
- TASI experienced a decline on Tuesday; primarily driven by the performance of the Materials sector (down 0.93%) and the Energy sector (down 0.41%). At close, the Saudi market ended the day with a change of -0.43% at 11,957. In terms of activity, total volumes and value traded were ~504mn and ~SAR 5.5bn, respectively. The advance-decline ratio came in at 56/165.

Technical outlook

- TASI closed the last session near 11,957, showing a decrease of 51 points. The index continued fluctuating within the current short-term sideways trend, retracing nearly half the range of the previous substantial green candlestick. TASI formed a red candlestick, depicting a profit-taking attitude following the notable surge in the preceding session. Furthermore, the RSI indicator is still hovering near its 50-level. TASI has an immediate support level of around 11,925. If breached, the subsequent support levels would be around 11,845 – 11,765. On the other hand, an immediate resistance level is observed around 12,080. If successfully surpassed, the subsequent resistance levels to watch for would be around 12,150 – 12,260. Traders are advised to trade cautiously, considering that the ongoing temporary upside rebound could potentially extend to retest the lower boundary of the Wedge pattern near the resistance zone of 12,150 – 12,260 as long as the index maintains trading above the prior trough around 11,845.

Key price levels

S3	S2	S1	Pivot	R1	R2	R3
11,765	11,845	11,925	11,965	12,080	12,150	12,260



Source: Bloomberg, Argaam

TASI daily chart

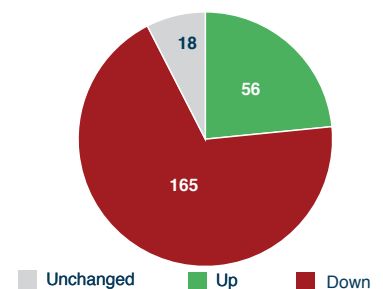


Source: Tradingview, Aljazira Capital

Our view



Market depth





SAUDI MARKET - TOP PICKS FOR THE DAY

Code	Company	Close*	Buy range	Sell range	Stop loss
1120	Al Rajhi Bank	85.80	85.60 – 85.80	86.50 – 87.50	84.70
8210	Bupa Arabia	211.00	210.40 – 211.00	212.80 – 215.00	208.20
8200	Saudi Reinsurance	37.00	36.90 – 37.00	37.30 – 37.75	36.55
2381	Arabian Drilling	108.80	108.60 – 108.80	109.80 – 111.00	107.40
4142	Riyadh Cables	104.40	104.20 – 104.40	105.40 – 106.40	103.00
4071	Alarabia	181.00	180.60 – 181.00	182.60 – 184.60	178.60
1212	Astra Industrial	176.20	175.80 – 176.20	177.80 – 179.80	173.80

*As of 22nd October 2024

* Note – Stop loss is based on an intraday basis

CHARTS OF THE DAY

Technical observations

ALRAJHI has just penetrated its 20-day SMA after bouncing off a rising trendline. Moreover, all the technical indicators show bullish structure.

Al Rajhi Bank (ALRAJHI)



Source: Tradingview, Aljazira Capital

Technical observations

BUPA ARABIA started to bounce off its 20-day SMA as well as the level of the prior minor peak. Moreover, all the technical indicators show bullish structure.

Bupa Arabia for Cooperative Insurance Co. (BUPA ARABIA)



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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