

Domestic Market News

- Saudi Arabia posted a trade surplus** of SAR 59.2bn in Q3-2. The trade balance hit a four-year low in Q3-24. Total exports were down 8.0% Y/Y in Q3-24 to SAR 276.5bn, while imports increased by 11.0% Y/Y to SAR 217.3bn. (Source: Argaam)
- PIF announced** that it has completed the acquisition of a stake of ~15% in FGP TopCo, the holding company of Heathrow Airport Holdings Ltd., from Ferrovial SE and certain other FGP TopCo shareholders. (Source: Argaam)
- The Transport General Authority** announced the issuance of operating licenses for the Red and Green Lines of the Riyadh Metro project. Both the lines are being launched on December 15, 2024. (Source: Argaam)
- Abu Dhabi's ADNOC Catering PLC** signed a sale and purchase agreement with Compass Group International and Al-Rushaid Petroleum Investment Co. to buy an additional 20.0% stake in the Saudi JV, increasing its stake in the JV from to 50%. ADNOC Catering expects to the deal closure in Q1-25. (Source: Argaam)
- Saudi Arabian Mining Co.'s** (shareholders approved the proposal for the company's capital increase from SAR 36.9bn to SAR 38.0bn. The purpose is to acquire the entire stake of Mosaic Phosphates BV in Ma'aden Wa'ad Al Shamal Phosphate Co, including related marketing rights for phosphate and fertilizer products. (Source: Tadawul)

Market Analysis

The **Saudi Stock Exchange** decreased 0.4% to 12,099.3 points. The value traded stood at SAR 4.8bn (down 20.9% over the previous day), while advance-decline ratio stood at 101/123. The parallel market index decreased 0.6% to 31,100.9 points. The value traded stood at SAR 67.0mn (up 1.4% over the previous day). Most of the sectors in the main market ended in red. Capital Goods and Food & Beverages (up 2.0% and 1.2%, respectively), increased the most, while Healthcare and Materials (down 1.1% and 1.0%, respectively) declined the most.

Top Gainers

Company	Price	Change%
SUMOU	44.65	10.0
ZAMIL INDUST	33.80	6.6
ALBAHA	0.33	6.5
SADAFCO	360.00	5.9
RIYADH CABLES	149.60	3.5

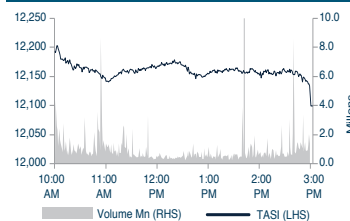
Top Losers

Company	Price	Change%
MCDC	114.80	-3.0
AMAK	70.40	-2.5
ALETIHAD	17.54	-2.5
MAADEN	52.80	-2.2
MBC GROUP	57.70	-2.2

Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	12,099	12,211	12,099	(0.4)	0.5
NomuC	31,101	31,298	30,977	(0.6)	26.8

TASI movement during session



TASI Ratios

P/E* (x)	24.3
Price-to-Book (x)	2.4
Dividend Yield (%)	2.7
Return on Equity (%)	18.7

*Source: Argaam (Excluding Aramco)

Index	Close	Daily Change%	YTD %	PE (TTM)
Energy	5,379	-0.3	-13.7	16.8
Materials	5,688	-1.0	-11.0	50
Capital Goods	15,782	2.0	56.5	25.7
Commercial Service	5,050	-0.2	-9.5	38
Transportation	7,152	0.0	12.6	32.2
Consumer Durables	5,391	0.1	8.2	Neg
Consumer Services	5,033	-0.7	1.1	42.2
Media	33,044	-0.1	34.6	High
Consumer Discretionary Ret	7,767	0.4	-9.8	21.4
Consumer Staples Ret	8,564	-0.4	-12.4	21.7
Food & Beverages	6,084	1.2	8.1	27.9
Healthcare	12,603	-1.1	3.1	41.1
Pharma & Bio Tech	5,027	-0.2	3.3	38
Banks	12,141	-0.7	-1.2	12.7
Financial Services	7,754	-0.7	15.1	30.1
Insurance	10,303	-0.5	19.9	23.8
Telecom	8,071	1.0	3.9	15.4
Utilities	13,282	-0.4	33.8	26
REITs	3,202	0.2	-12.7	26.6
Real Estate	3,609	-0.8	18.1	High
Software & Services	83,283	-0.1	21.4	40.1

Average Index Value

Average days 5	Average days 10	Average days 20	Average value traded for December (bn)
12,099	11,961	11,873	5.81

Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	29.2	3,024.20	2,343.70
Previous week	28.9	1,775.10	2,510.30

Top Weighted Companies

Company	Price	Change%
Saudi Aramco	28.45	-0.4
Al Rajhi	93.10	-1.2
ACWA POWER	381.40	-0.5
SNB	34.10	-0.6
STC	40.90	1.2





International Market News

- According to **Baker Hughes**, North America's rig count decreased to 780 in the week ended December 13 from 783 earlier. The rig count remained unchanged at 589 in the US, while fell to 12 in the Gulf of Mexico from 13 earlier. The rig count in Canada declined to 191 from 194 earlier. (Source: Baker Hughes)
- The US Producer Price Index**, final demand (PPI-FD) rose 0.4% M/M in November (consensus: 0.3%) against an increase of 0.3% in October. PPI-FD less food & energy gained 0.2% M/M in November (in line with consensus) compared with an increase of 0.3% in October. (Source: Econoday)
- US initial jobless claims** rose to 242,000 (consensus: 220,000), representing a gain of 17,000 from the previous week's revised level of 225,000. (Source: RTT News)
- ECB** lowered its key interest rate by 25 bps (in line with consensus). The deposit rate is now at 3.0%. The main refinancing rate was reduced to 3.15% and the marginal lending facility rate to 3.40%. (Source: RTT News)
- Eurozone** industrial production remained flat in October (in line with consensus) after declining 1.5% in September. Only the capital goods sector posted growth, up 1.7%. (Source: RTT News)
- Oil prices** gained 1.5% driven by tighter supply expectations due to additional sanctions on Russia and Iran, further supported by anticipation of better fuel demand amid lower interest rates in the US and Europe.
- Gold prices** fell 1.2% due to stronger US dollar supported by expectations of a less dovish outlook by US Fed in the upcoming meet.

Forex / Currency

Currency / USD	Close	Daily Change%	MTD %	YTD %
Dollar Index	107.00	0.0	1.2	5.6
Euro	1.05	0.3	-0.7	-4.9
Japanese Yen	153.65	0.7	2.6	8.9
Sterling Pound	1.26	-0.4	-0.9	-0.9
Chinese Yuan	7.28	0.1	0.4	2.2
Indian Rupee	84.80	-0.1	0.4	1.9
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	0.2	0.2
Omani Rial	0.38	0.0	-0.0	0.0
Bahraini Dinar	0.38	-0.0	0.0	0.0
Egyptian Pound	50.82	-0.0	2.5	64.4

Corporate Calendar

Date	Company	Event
15-Dec	HORIZON FOOD	EGM
15-Dec	AQASEEM	EGM
15-Dec	QACCO	Cash Dividend Distribution
15-Dec	ZOUJAJ	Eligibility of Cash Dividend
15-Dec	NCLE	Eligibility of Cash Dividend
16-Dec	SIPCHEM	Cash Dividend Distribution

EGM: Extra Ordinary Meeting*

OGM: Ordinary General Meeting*

Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	4,830	0.4	-0.4	19.0	9.3
Abu Dhabi (ADX)	9,265	-0.1	0.3	-3.3	16.6
Kuwait (KSE)	7,860	0.1	1.2	5.1	22.9
Qatar (QE)	10,529	0.2	1.1	-0.6	11.4
Oman (MSM)	4,546	0.6	-0.4	1.3	11.3
Bahrain (BSE)	2,006	-0.3	-1.3	2.3	16.2
Egypt (EGX30)	30,795	0.2	1.8	24.7	6.4

International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	43,828	-0.2	-2.4	16.3	23.9
Nasdaq	21,780	0.8	4.1	29.4	36.9
S&P 500	6,051	-0.0	0.3	26.9	27.2
FTSE 100	8,300	-0.1	0.2	7.3	13.2
Germany DAX 30	20,406	-0.1	4.0	21.8	17.0
France CAC 40	7,410	-0.2	2.4	-1.8	14.1
Japan Nikkei 225	39,470	-1.0	3.3	17.9	19.3
Brazil IBOVESPA	124,612	-1.1	-0.8	-7.1	8.4
Hong Kong Hang Seng	19,971	-2.1	2.8	17.2	9.9
South Korea KOSPI	2,494	0.5	1.6	-6.1	11.9
China Shanghai Composite	3,392	-2.0	2.0	14.0	16.3
Australia ASX 200	8,296	-0.4	-1.7	9.3	21.2
India Sensex	82,133	1.0	2.9	13.7	23.6
MSCI EM	1,107	-0.5	2.6	8.1	14.2
MSCI World	3,817	-0.2	0.2	20.4	22.7

Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	75.28	-0.2	2.1	-6.4
Brent Crude (\$/bbl)	74.49	1.5	2.1	-3.3
Texas crude (\$/bbl)	71.29	1.8	4.8	-0.5
Natural Gas (\$/mmbtu)	3.28	-5.1	-2.5	-13.7
Gold (\$/oz)	2,648.23	-1.2	0.2	28.4
Silver (\$/oz)	30.55	-1.4	-0.2	28.4
Steel (\$/ton)	675.00	0.0	-3.6	-40.5
Iron Ore (CNY/MT)	818.00	-0.2	3.7	-21.6
Wheat (\$/bu)	552.25	-1.1	0.8	-18.7
Corn (\$/bu)	442.00	-0.3	2.1	-14.0
Sugar (\$/lb)	20.72	-0.8	-1.7	0.0
SMP* (EUR/MT)	2,635.00	0.0	-1.2	2.3

*SMP: Skimmed Milk Powder

Interbank Rates

Region	Rate*	Daily Change(bps)	MTD (bps)	YTD (bps)
KSA (SAIBOR 1M)	5.56	7.4	11.9	-35.7
KSA (SAIBOR 3M)	5.54	-2.7	-6.1	-69.0
KSA (SAIBOR 6M)	5.45	-7.1	-7.2	-62.2
KSA (SAIBOR 12M)	5.09	4.8	-2.3	-90.2
USA (SOFR 3M)	4.35	-1.0	-11.7	-98.3
UAE (EIBOR 3M)	4.37	-0.5	-15.1	-95.8

Data Sources: Tadawul, Bloomberg, Reuters

Closes as of Dec 13, 2024





Technical observations

Index	TASI
Ticker	SASEIDX Index
Last Close	12,099
Short-term view	Cautious Buy
52 weeks high/low	12,883 – 10,262

Market data

Exchange Market Cap. (SAR bn)	10,347.4
Value (SAR mn)	4,803.9
Volume (mn)	373.9
Number of Transactions	420,224
Market Breadth	101 : 123

Key statistics

1D return %	-0.41%
MTD return %	3.93%
QTD return	-1.04%
YTD return	1.10%
ADT vol. 3M* (mn)	658.6
ADT val. 3M (SARmn)	6,385.5

*ADT stands for Average Daily Traded

TASI market commentary

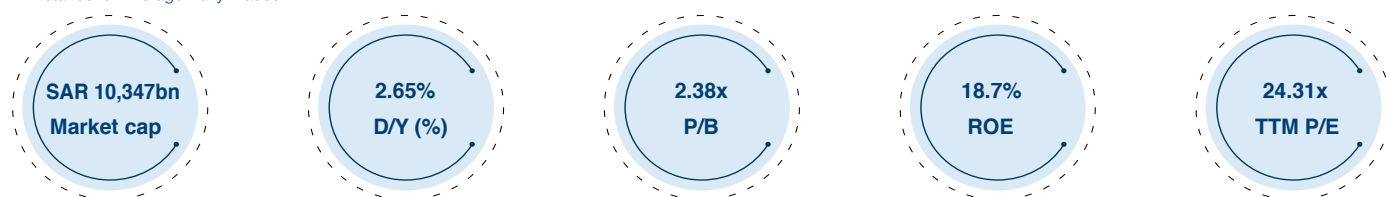
- TASI experienced a decline on Thursday; primarily driven by the performance of the Materials sector (down 0.97%) and the Banks sector (down 0.70%). At close, the Saudi market ended the day with a change of -0.41% at 12,099. In terms of activity, total volumes and value traded were ~374mn and ~SAR 4.8bn, respectively. The advance-decline ratio came in at 101/123.

Technical outlook

- TASI closed the last session near 12,099, marking a loss of 50 points. The intervening profit-taking sentiment persisted heading to retest the previously penetrated upper boundary of a declining channel which suggested a potential target near the range of 12,335 – 12,390. TASI formed a red-bodied candlestick, depicting the current temporary profit-taking attitude in the market. Additionally, the RSI indicator started to decline after approaching the level of prior peaks. TASI has an immediate support level of around 12,070. If breached, the subsequent support levels would be around 11,980 – 11,925. On the other hand, an immediate resistance level is seen around 12,220. If successfully surpassed, the subsequent resistance levels to watch for would be around 12,335 – 12,390. Traders are advised to cautiously evaluate buying opportunities, considering the possibility of a temporary profit-taking sentiment before the index progresses towards the potential upside target of the declining channel near 12,470 – 12,550.

Key price levels

S3	S2	S1	Pivot	R1	R2	R3
11,925	11,980	12,070	12,175	12,220	12,335	12,390



Source: Bloomberg, Argam

TASI daily chart

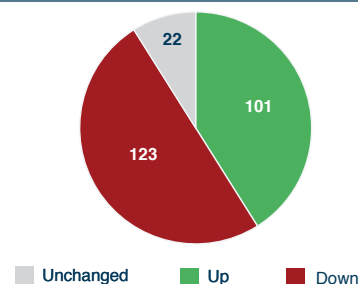


Source: Tradingview, Aljazira Capital

Our view



Market depth



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 12th December 2024

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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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