



Major Economic News

- Saudi Arabia** recorded a trade surplus of SAR 96.5bn in Q4-23. The fourth quarter's trade balance is the lowest since Q2-21. The total merchandise exports dipped 14% Y/Y to SAR 297.9bn, while imports increased 3% Y/Y to SAR 201.4bn. The three months oil exports fell by 18% Y/Y, while non-oil exports too were down 1% Y/Y. (Source: Argaam)

Major Corporate News

- Almunajem Foods** signed a binding share purchase agreement with Balady Poultry to acquire 17% stake through negotiated deals, at a purchase price of SAR 120 per share, with a total value of SAR 134.0mn. The transaction has been self-financed. (Source: Argaam)
- Alhokair Group** completed the establishment of Newrest Catering Services, which will be specializing in catering, site and facility management and remote facility management. (Source: Argaam)
- Theeb** opened a new branch in Jeddah, which comes as part of the company's efforts to enhance its branch network and implement its strategy on expanding its presence in various cities in KSA. (Source: Argaam)

Earnings update (Net Profit) (SAR mn)

Company	Q4-23	Q4-22	Y/Y %	Q3-23	Q/Q %
MESC*	10.5	-0.3	NM	13.6	-22.77
ALANDALUS*	-8.1	-2.9	NM	11.7	NM
RIYADH CABLES	134.0	105.9	26.38	132.7	0.95
TAWUNIYA	89.6	233.4	-61.60	206.3	-56.55
MARAFIQ	71.6	131.2	-45.41	188.1	-61.91
THIMAR*	-4.0	-3.1	NM	-0.8	NM
SAUDI CEMENT	103.8	154.5	-32.85	68.3	52.01

* NM indicates Not Meaningful

Market Analysis

The **Saudi Stock Exchange** increased 0.7% to 12,561.9. The value traded stood at SAR 9.2bn (up 3.1% over the previous day), while the advance-decline ratio stood at 166/52. The parallel market index increased 0.5% to 26,573.3 points. The value traded stood at SAR 157.5mn (up 487.9% over the previous day). Most sectors in the main market ended in the green. Commercial Service and Insurance (up 3.6% and 3.2%, respectively) advanced the most, while Software & Services and Healthcare (down 0.7% and 0.6%, respectively) led the laggards.

Top Gainers

Company	Price	Change%
WATANIYA	24.86	10.0
SGS	49.60	10.0
ALRAJHI TAKAFUL	105.00	10.0
WALAA	25.15	9.9
AWPT	279.60	8.8

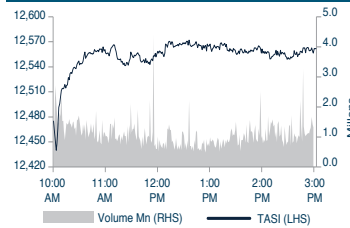
Top Losers

Company	Price	Change%
SASCO	89.80	-5.7
SSP	58.50	-5.5
ALARABIA	268.40	-5.0
NADEC	32.25	-4.2
SAUDI GERMAN	115.80	-3.5

Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	12,562	12,574	12,434	0.7	5.0
NomuC	26,573	26,602	26,336	0.5	8.3

TASI movement during session



TASI Ratios

P/E* (x)	29.1
Price-to-Book (x)	2.5
Dividend Yield (%)	2.5
Return on Equity (%)	20.3

*Source: Argaam (Excluding Aramco)

Index	Close	Daily Change%	YTD %	PE (TTM)
Energy	5,988	0.1	-3.7	16.6
Materials	6,201	1.0	-2.4	High
Capital Goods	12,586	0.0	26.8	41.9
Commercial Service	5,923	3.6	6.5	38
Transportation	7,812	1.9	23.2	47.6
Consumer Durables	5,603	0.8	11.5	Neg
Consumer Services	5,782	0.9	17.0	41.1
Media	33,613	-0.2	37.1	High
Consumer Discretionary Ret	8,862	-0.6	3.9	28.8
Consumer Staples Ret	10,674	0.5	10.3	27.8
Food & Beverages	6,547	0.2	16.7	33.8
Healthcare	13,791	-0.6	14.7	High
Pharma & Bio Tech	5,386	-0.1	10.9	High
Banks	12,559	1.0	2.9	14.7
Financial Services	7,944	1.1	19.5	35.7
Insurance	10,120	3.2	19.4	27.1
Telecom	8,135	1.1	5.4	15.3
Utilities	11,214	-0.4	12.8	22.1
REITs	3,618	0.4	-1.3	High
Real Estate	3,458	2.1	13.4	High
Software & Services	84,688	-0.7	23.5	High

Average Index Value

Average days 5	Average days 10	Average days 20	Average value traded for February (bn)
12,531	12,564	12,477	9.3

Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	28.7	1,133.60	1,828.90
Previous week	46.1	2,317.30	2,793.30

Top Weighted Companies

Company	Price	Change%
Saudi Aramco	31.70	0.2
Al Rajhi	86.40	0.6
SNB	40.00	0.5
SABIC	78.90	1.4
STC	41.35	2.0





International Market News

- **According to EIA**, oil inventories in the US increased 1.4mn barrels (prior: 4.2mn) to 448.5mn in the week ended March 01. Gasoline inventories decreased 4.5n barrels (prior: down 2.8mn) to 239.7mn, while distillate inventories declined 4.1mn barrels (prior: down 0.5mn) to 117.0mn. (Source: EIA, Econoday)
- **US wholesale inventories** decreased by 0.3% in January, more than the expectations of 0.1%. The bigger than expected slump was due to a 1% fall in inventories of non-durable goods, which was partially offset by an increase of 0.2% in inventories of durable goods. (Source: RTT News)
- **Eurozone retail sales** registered 0.1% M/M growth in January led by food and auto fuel turnover. Sales of food, drinks and tobacco advanced 1.0%, while non-food product sales slid 0.2%. Sales of automotive fuel in specialized stores registered a faster growth of 1.7%. (Source: Reuters)
- **The downturn in UK construction activity** eased in February amid improved demand conditions, as the Construction PMI index increased to 49.7 in February, from 48.8 in January. February saw a near-stabilization of business activity across all three main categories of construction. (Source: Reuters)
- **Oil prices** increased 0.1% due to US rate cut hopes and smaller US crude supply increase.
- **Gold prices** increased 0.2% due to bets for US monetary easing.

Forex / Currency

Currency / USD	Close	Daily Change%	MTD %	YTD %
Dollar Index	103.37	-0.4	-0.8	2.0
Euro	1.09	0.4	0.9	-1.3
Japanese Yen	149.38	-0.4	-0.4	5.9
Sterling Pound	1.27	0.2	0.8	0.0
Chinese Yuan	7.21	-0.0	0.0	1.2
Indian Rupee	82.83	-0.1	-0.1	-0.5
UAE Dirham	3.67	0.0	0.0	0.0
Qatari Rial	3.65	0.0	-0.0	0.1
Kuwaiti Dinar	0.31	0.0	0.0	0.1
Omani Rial	0.38	-0.0	-0.0	-0.0
Bahraini Dinar	0.38	-0.0	-0.0	-0.0
Egyptian Pound	50.09	62.2	62.2	62.1

Corporate Calendar

Date	Company	Event
7-Mar	AL OTHAIM	Cash Dividend Distribution
7-Mar	GIG	EGM
7-Mar	SAL	Eligibility for Cash Dividend
12-Mar	ALKHALEEJ	EGM
12-Mar	JAMJHOOM PHARMA	EGM
13-Mar	TAQAT MINERAL	End of IPO

EGM: Extra Ordinary Meeting*

OGM: Ordinary General Meeting*

Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	4,248	0.1	-1.4	4.6	8.8
Abu Dhabi (ADX)	9,225	-0.1	-0.3	-3.7	19.8
Kuwait (KSE)	8,109	-0.5	-0.6	8.5	17.3
Qatar (QE)	10,304	-0.8	-1.6	-4.9	11.8
Oman (MSM)	4,753	1.1	4.4	5.3	12.9
Bahrain (BSE)	2,016	0.0	0.5	2.2	7.8
Egypt (EGX30)	29,743	-3.0	2.7	19.5	14.3

International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	38,661	0.2	-0.9	2.6	22.2
Nasdaq	18,018	0.7	-0.1	7.1	35.1
S&P 500	5,105	0.5	0.2	7.0	24.4
FTSE 100	7,679	0.4	0.6	-0.7	10.3
Germany DAX 30	17,717	0.1	0.2	5.8	14.9
France CAC 40	7,955	0.3	0.3	5.5	14.3
Japan Nikkei 225	40,091	-0.0	2.4	19.8	28.7
Russia MOEX	3,311	0.3	1.7	6.8	3.0
Hong Kong Hang Seng	16,438	1.7	-0.4	-3.6	8.6
South Korea KOSPI	2,641	-0.3	-0.0	-0.5	18.4
China Shanghai Composite	3,040	-0.3	0.8	2.2	14.0
Australia ASX 200	7,734	0.1	0.5	1.9	19.6
India Sensex	74,086	0.6	2.2	2.6	23.5
MSCI EM	1,028	0.6	0.7	0.4	15.3
MSCI World	3,357	0.6	0.6	5.9	20.8

Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	84.29	-0.6	2.2	4.8
Brent Crude (\$/bbl)	82.96	1.1	-0.8	7.7
Texas crude (\$/bbl)	79.13	1.3	1.1	10.4
Natural Gas (\$/mmbtu)	1.93	-1.4	3.7	-16.3
Gold (\$/oz)	2,148.18	0.9	5.1	4.1
Silver (\$/oz)	24.17	2.1	6.6	1.6
Steel (\$/ton)	802.00	2.2	0.9	-29.3
Iron Ore (CNY/MT)	948.00	0.0	-1.7	-9.1
Wheat (\$/bu)	531.00	-3.6	-7.9	-17.0
Corn (\$/bu)	428.75	0.6	-0.2	-11.4
Sugar (\$/lb)	21.45	2.8	-1.1	5.0
SMP* (EUR/MT)	2,479.00	-0.8	-0.8	-3.8

*SMP: Skimmed Milk Powder

Interbank Rates

Region	Rate*	Daily Change(bps)	MTD (bps)	YTD (bps)
KSA (SAIBOR 1M)	5.89	-2.3	-0.2	-2.7
KSA (SAIBOR 3M)	6.22	-1.8	-0.8	-1.0
KSA (SAIBOR 6M)	6.08	2.1	0.2	0.5
KSA (SAIBOR 12M)	5.89	1.6	-4.8	-10.8
USA (SOFR 3M)	5.32	-0.2	-0.9	-0.7
UAE (EIBOR 3M)	5.17	-13.0	-11.6	-15.6

Data Sources: Tadawul, Bloomberg, Reuters

Closes as of March 6, 2024





Technical observations

Index	TASI
Ticker	SASEIDX Index
Last Close	12,562
Short-term view	Cautious Buy
52 weeks high/low	12,669 – 9,931

Market data

Exchange Market Cap. (SAR bn)	11,155.4
Value (SAR mn)	9,208.9
Volume (mn)	343.9
Number of Transactions	597,383
Market Breadth	166 : 52

Key statistics

1D return %	0.74%
MTD return %	-0.55%
QTD return	4.97%
YTD return	4.97%
ADT vol. 3M* (mn)	336.3
ADT val. 3M (SARmn)	8,315.8

*ADT stands for Average Daily Traded

TASI market commentary

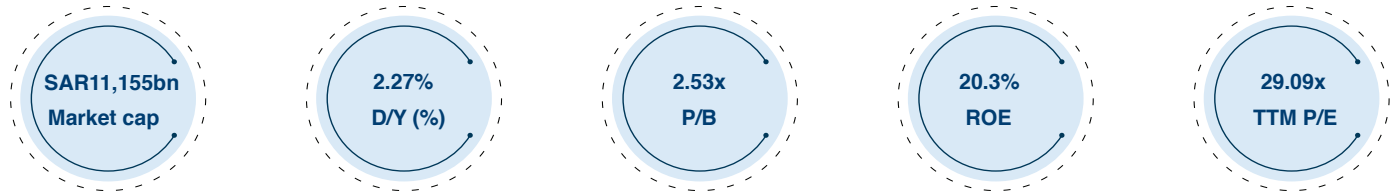
- TASI experienced a rise on Wednesday; primarily driven by the performance of the Telecommunication services sector (up 1.13%), the Banks sector (up 1.04%). At close, the Saudi market ended the day with a change of 0.74% at 12,562. In terms of activity, total volumes and value traded were ~344mn and ~SAR 9.2bn, respectively. The advance-decline ratio came in at 166/52.

Technical outlook

- TASI closed the last session near 12,562, registering a gain of 92 points. The index experienced significant buying power, propelling it upwards to close above its 5-day SMA of around 12,530. TASI formed a positive Morning Star candlestick, signaling a renewed buying sentiment and suggesting potential further buying power in the near term. Moreover, a decisive close above the prior peak of around 12,670 would confirm the end of the profit-taking phase and potentially trigger a stronger buying sentiment that may drive the index toward a target of 12,965. Furthermore, the RSI indicator started moving upward from near the 50 level, reflecting a positive sentiment in the market. TASI has an immediate resistance level of around 12,670. If successfully surpassed, the subsequent resistance levels to watch for would be around 12,965 – 13,175. On the other hand, an immediate support level is observed around 12,400. If breached, the subsequent support levels would be around 12,325 – 12,230. Traders are advised to cautiously buy and closely monitor the significant resistance of the prior peak around 12,670, as the successful penetration would trigger further potential buying attitudes.

Key price levels

S3	S2	S1	Pivot	R1	R2	R3
12,230	12,325	12,400	12,540	12,670	12,965	13,175



Source: Bloomberg, Argaam

TASI daily chart

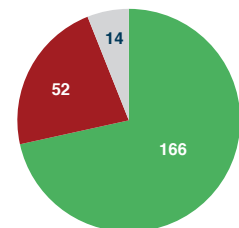


Source: Tradingview, Aljazira Capital

Our view



Market depth



Unchanged Up Down





SAUDI MARKET - TOP PICKS FOR THE WEEK

Code	Company	Close*	Buy range	Sell range	Reward %	Stop loss
4250	Jabal Omar	26.95	26.65 – 26.95	28.30 – 29.90	10.95%	25.90
4080	Sinad Holding	14.32	14.18 – 14.32	15.18 – 16.64	16.20%	13.70

* As of 06th Mar 2024,

* Note – Stop loss is based on a closing basis and not an intraday basis

CHARTS OF THE WEEK

Technical observations

Jabal Omar has just penetrated the upper boundary of a declining channel. Moreover, the RSI indicator is showing a bullish signal confirming the price action. We recommend buying the stock in a range of 26.65 – 26.95, for a target range of SAR28.30 – 29.90, with a stop loss below SAR25.90 on a closing basis.

Jabal Omar Development Co. (Jabal Omar)



Source: Tradingview, Aljazira Capital

Technical observations

SINAD HOLDING penetrated the upper boundary of a declining channel after bouncing off its 50-day SMA. Moreover, the RSI indicator is showing a bullish signal confirming the price action. We recommend buying the stock in a range of 14.18 – 14.32, for a target range of SAR15.18 – 16.64, with a stop loss below SAR13.70 on a closing basis.

Sinad Holding Co. (SINAD HOLDING)



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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