



Domestic Market News

- **IEA** anticipates weak global oil demand growth for 2024 and 2025 due to lower economic growth, increased energy efficiency, and the expansion of EV sector. (Source: Argaam)
- **KSA's** airports received 62mn passengers in H1-24, implying 17% Y/Y rise. While number of flights increased 12% Y/Y, and freight volume increased 41%. (Source: Argaam)
- **Saudi** Authority for Intellectual Property approved rules on registering the trademarks for Makkah and Madinah. It shall include the names Makkah Al-Mukarramah, Madinah Al-Munawwarah or similar names, whether in Arabic or other language. (Source: Argaam)
- **SAIC** announced renewal of credit facility with Al-Rajhi Capital for SAR 100mn, for a period of 1-year. The purpose of the facility renewal is to expand the investments. (Source: Tadawul)
- **Leejam** opened new men xpress center in Riyadh City and will operate under the brand Fitness Time Xpress. The financial impact will appear as of Q3-24. (Source: Tadawul)
- **Rawasi** signed a contract with a private sector to implement an infrastructure project, for a total project value of SAR 13.6mn. The financial impact could arise during H2-24 and H1-25. (Source: Tadawul)
- **Neft Alsharq** signed a SAR 2.1mn worth of contract with a company engaged in trading of automobile oils. Alsharq will supply engine oils to one of the countries in the African continent. (Source: Tadawul)

Market Analysis

The **Saudi Stock Exchange** increased by 0.1% to 11,792.4. The value traded stood at SAR 6.4bn (up 24.1% over the previous day), while the advance-decline ratio stood at 104/116. The parallel market index increased 1.0% to 25,776.0 points. The value traded stood at SAR 24.0mn (down 0.8% over the previous day). Most of the sectors in the main market ended in green. Media and Insurance (up 1.5% and 1.1%, respectively) advanced the most, while Consumer Services and Healthcare (down 0.9% and 0.8%, respectively) led the laggards.

Top Gainers

Company	Price	Change%
SAUDI RE	30.65	8.3
MAHONA	33.65	7.2
RASAN	63.80	5.3
TALCO	64.80	5.2
MBC Group	44.80	4.4

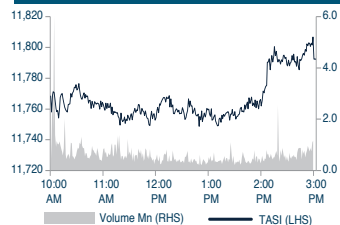
Top Losers

Company	Price	Change%
MOUWASAT	120.00	-2.1
SGS	51.90	-1.9
NCLE	178.20	-1.8
ALKATHIRI	2.84	-1.7
BATIC	3.26	-1.5

Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	11,792	11,814	11,745	0.1	(2.0)
NomuC	25,776	25,776	25,363	1.0	5.1

TASI movement during session



TASI Ratios

P/E* (x)	26.4
Price-to-Book (x)	2.4
Dividend Yield (%)	2.8
Return on Equity (%)	19.1

*Source: Argaam (Excluding Aramco)

Index	Close	Daily Change%	YTD %	PE (TTM)
Energy	5,323	0.2	-14.6	15.8
Materials	5,752	0.5	-10.0	High
Capital Goods	12,933	0.4	28.2	28.6
Commercial Service	5,043	-0.3	-9.6	36.6
Transportation	7,798	-0.5	22.8	37.8
Consumer Durables	5,376	-0.3	7.9	Neg
Consumer Services	5,259	-0.9	5.6	39.4
Media	29,990	1.5	22.1	49.9
Consumer Discretionary Ret	7,498	1.0	-13.0	22.2
Consumer Staples Ret	9,260	-0.2	-5.3	22.2
Food & Beverages	6,122	--	8.8	30.4
Healthcare	12,808	-0.8	4.8	45.2
Pharma & Bio Tech	4,733	0.2	-2.8	44.5
Banks	11,534	-0.1	-6.1	13.0
Financial Services	7,505	1.0	11.4	32.1
Insurance	11,482	1.1	33.6	28.0
Telecom	7,667	-0.2	-1.3	14.9
Utilities	13,001	-0.4	31.0	28.2
REITs	3,287	0.0	-10.4	25.6
Real Estate	3,384	0.6	10.7	39.8
Software & Services	69,637	0.0	1.5	40.4

Average Index Value

Average days 5	Average days 10	Average days 20	Average value traded for July (bn)
11,753	11,696	11,707	5.56

Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	26.4	1,048.40	2,184.70
Previous week	29	1,230.60	2,562.90

Top Weighted Companies

Company	Price	Change%
Saudi Aramco	28.15	0.2
Al Rajhi	80.50	0.0
SNB	36.00	-0.1
ACWA POWER	371.60	-0.6
ALINMA	31.40	-0.3





International Market News

- According to **Baker Hughes**, North America's rig count increased 773 in the week ended July 12 from 760 earlier. The rig count decreased to 584 in the US from 585 earlier, while stayed constant at 21 in the Gulf of Mexico. The rig count in Canada increased to 189 from 175. (Source: Baker Hughes)
- US CPI** unexpectedly dipped by 0.1% in June, while the consensus estimated 0.1% increase. This dip largely reflected another steep drop by gasoline prices, which plunged 3.8%, which helped offset a continued increase in shelter costs and another uptick in food prices. (Source: RTT News)
- Initial jobless claims** decreased by 17,000 from the previous week, to 222,000. Economists had expected jobless claims to edge down to 236,000. The unemployment rate also increased for the third straight month, to 4.1 percent in June, thereby reaching the highest level since November 2021. (Source: Reuters)
- US Producer Price Index** for final demand increased by 0.2% in June, versus the consensus estimate of 0.1% increase. Meanwhile the annual rate of producer price growth accelerated to 2.6%. The bigger than expected monthly increase in producer prices was due to an increase in prices for services. (Source: Reuters)
- Oil** prices on Friday fell 0.4% due to weak China imports impacting the demand.
- Gold** prices on Friday fell 0.2% due to an unexpected fall in the US inflation rate, implying higher chance of interest rates falling.

Forex / Currency

Currency / USD	Close	Daily Change%	MTD %	YTD %
Dollar Index	104.09	-0.3	-1.7	2.7
Euro	1.09	0.4	1.8	-1.2
Japanese Yen	157.83	-0.6	-1.9	11.9
Sterling Pound	1.30	0.6	2.7	2.0
Chinese Yuan	7.27	0.1	-0.4	2.1
Indian Rupee	83.54	-0.0	0.2	0.4
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	-0.4	-0.6
Omani Rial	0.39	0.0	-0.0	0.0
Bahraini Dinar	0.38	0.0	-0.0	-0.0
Egyptian Pound	48.00	0.0	-0.1	55.3

Corporate Calendar

Date	Company	Event
14-Jul	BAAZEEM	EGM
15-Jul	ETIHAD ETISALAT	Cash Dividend Distribution
15-Jul	ALAMAR	Cash Dividend Distribution
16-Jul	TCC	Cash Dividend Distribution
16-Jul	NGDC	Cash Dividend Distribution
16-Jul	EIC	EGM

EGM: Extra Ordinary Meeting*

OGM: Ordinary General Meeting*

Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	4,104	0.3	1.8	1.1	8.1
Abu Dhabi (ADX)	9,143	-0.1	0.9	-4.5	18.3
Kuwait (KSE)	7,752	0.4	2.8	3.7	21.7
Qatar (QE)	10,177	0.2	2.1	-6.0	11.5
Oman (MSM)	4,700	0.1	0.3	4.1	12.5
Bahrain (BSE)	1,992	-0.1	-1.7	1.0	8.4
Egypt (EGX30)	28,288	-0.6	1.9	13.6	7.9

International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	40,001	0.6	2.3	6.1	22.9
Nasdaq	20,331	0.6	3.3	20.8	35.9
S&P 500	5,615	0.6	2.8	17.7	26.3
FTSE 100	8,253	0.4	1.1	6.7	14.5
Germany DAX 30	18,748	1.2	2.8	11.9	16.5
France CAC 40	7,724	1.3	3.3	2.4	13.4
Japan Nikkei 225	41,191	-2.4	4.1	23.1	26.4
Brazil IBOVESPA	128,897	0.5	4.0	-3.9	9.4
Hong Kong Hang Seng	18,293	2.6	3.2	7.3	10.2
South Korea KOSPI	2,857	-1.2	2.1	7.6	16.8
China Shanghai Composite	2,971	0.0	0.1	-0.1	14.1
Australia ASX 200	7,959	0.9	2.5	4.9	19.7
India Sensex	80,519	0.8	1.9	11.5	25.3
MSCI EM	1,124	-0.1	3.4	9.8	16.3
MSCI World	3,628	0.6	3.3	14.5	22.6

Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	88.34	0.7	0.3	9.8
Brent Crude (\$/bbl)	85.03	-0.4	-1.6	10.4
Texas crude (\$/bbl)	82.21	-0.5	0.8	14.7
Natural Gas (\$/mmbtu)	2.33	2.7	-10.5	-13.6
Gold (\$/oz)	2,411.43	-0.2	3.6	16.9
Silver (\$/oz)	30.79	-2.1	5.6	29.4
Steel (\$/ton)	665.00	-0.2	-1.3	-41.4
Iron Ore (CNY/MT)	854.00	-2.3	3.1	-18.1
Wheat (\$/bu)	550.75	-3.6	-4.0	-16.1
Corn (\$/bu)	414.75	1.0	-1.4	-17.6
Sugar (\$/lb)	19.20	-1.2	-5.4	-6.5
SMP* (EUR/MT)	2,380.00	0.0	-1.8	-7.6

*SMP: Skimmed Milk Powder

Interbank Rates

Region	Rate*	Daily Change(bps)	MTD (bps)	YTD (bps)
KSA (SAIBOR 1M)	5.83	-0.1	-1.9	-8.3
KSA (SAIBOR 3M)	6.19	-2.0	-3.7	-3.9
KSA (SAIBOR 6M)	5.95	-1.3	-6.1	-12.5
KSA (SAIBOR 12M)	5.84	-2.5	-3.3	-15.8
USA (SOFR 3M)	5.29	-1.5	-3.8	-4.5
UAE (EIBOR 3M)	5.19	5.2	-11.0	-14.0

Data Sources: Tadawul, Bloomberg, Reuters

Closes as of July 11, 2024





Technical observations	
Index	TASI
Ticker	SASEIDX Index
Last Close	11,792
Short-term view	Cautious Buy
52 weeks high/low	12,883 – 10,262

Market data	
Exchange Market Cap. (SAR bn)	10,148.2
Value (SAR mn)	6,420.6
Volume (mn)	219.4
Number of Transactions	445,187
Market Breadth	104 : 116

Key statistics	
1D return %	0.07%
MTD return %	0.97%
QTD return	0.97%
YTD return	-1.46%
ADT vol. 3M* (mn)	310.8
ADT val. 3M (SARmn)	7,776.8

*ADT stands for Average Daily Traded

TASI market commentary

- TASI experienced a rise on Thursday; primarily driven by the performance of the Energy sector (up 0.19%) and the Materials sector (up 0.48%). At close, the Saudi market ended the day with a change of 0.07% at 11,792. In terms of activity, total volumes and value traded were ~219mn and ~SAR 6.4bn, respectively. The advance-decline ratio came in at 104/116.

Technical outlook

- TASI closed the last session near 11,792, marking a gain of 8 points. The market displayed sustained buying power, enabling the index to remain above its important short-term moving averages after surpassing the declining trendline. TASI formed a Bullish engulfing candlestick, indicating a possible continuation of the upward rebound toward the 200-day EMA around 11,870. Moreover, the RSI indicator is still exhibiting an upward movement above the declining trendline and the 50 level. TASI has an immediate resistance level of around 11,870. If successfully surpassed, the subsequent resistance levels to watch for would be around 12,000 – 12,160. On the other hand, an immediate support level is observed around 11,700. If breached, the subsequent support levels would be around 11,570 – 11,440. TASI continues to trade above the previously penetrated declining trendline as well as its important moving averages, suggesting a potential further upward movement toward the resistance level of the 200-day EMA around 11,870. Accordingly, traders are advised to cautiously buy and closely monitor the resistance level of around 11,870. A successful breakthrough above this level could potentially trigger further buying attitudes.

Key price levels

S3	S2	S1	Pivot	R1	R2	R3
11,440	11,570	11,700	11,770	11,870	12,000	12,160



Source: Bloomberg, Argaam

TASI daily chart

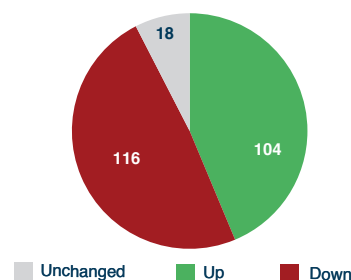


Source: Tradingview, Aljazira Capital

Our view



Market depth





SAUDI MARKET - TOP PICKS FOR THE DAY

Code	Company	Close*	Buy range	Sell range	Stop loss
4250	Jabal Omar	24.70	24.64 – 24.70	24.92 – 25.20	24.38
2180	FIPCO	50.80	50.70 – 50.80	51.30 – 51.80	50.20
8300	Wataniya	32.60	32.50 – 32.60	32.90 – 33.25	32.20
2382	Ades	20.36	20.30 – 20.36	20.54 – 20.78	20.10
4143	Talco Industrial Co.	64.80	64.60 – 64.80	65.40 – 66.10	64.00
4162	Almunajem Foods Co.	107.00	106.80 – 107.00	108.00 – 109.20	105.60
4007	Al Hammadi	47.30	47.20 – 47.30	47.70 – 48.25	46.70

*As of 11th July 2024

* Note – Stop loss is based on an intraday basis

CHARTS OF THE DAY

Technical observations

Jabal Omar has just penetrated a declining trendline as well as its 20-day SMA. Moreover, all the technical indicators show bullish structure.

Jabal Omar Development Co. (Jabal Omar)



Source: Tradingview, Aljazira Capital

Technical observations

FIPCO has penetrated a declining trendline after penetrating its 20-day SMA. Moreover, all the technical indicators show bullish structure.

Filing and Packing Materials Manufacturing Co. (FIPCO)



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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