



## Domestic Market News

- **KSA** intends to broaden its investments and trade with US over the next four years to the tune of USD 600bn and potentially beyond that. (Source: Argaam)
- POS transactions in **KSA** reached nearly SAR 11.8bn in the week ended January 18, down from SAR 13.4bn in the previous week. The number of POS transactions reached about 198.6mn. (Source: Argaam)
- **Tharwah** renewed the banking facilities agreement with Riyadh Bank to tune of SAR 8mn, for the purpose of financing receivables. (Source: Tadawul)
- **MIS** was awarded project worth SAR 70.1mn from MoH for the operation and maintenance of the digital infrastructure of 38 hospitals in the southern and western region. (Source: Tadawul)
- **Saudi Top** signed contract worth SAR 8.1mn with one of Saudi's petrochemical companies, for supply of environmental friendly plastic pallets. The contract duration is for 2 years and is expected to have a positive financial impact from Q1-25. (Source: Tadawul)
- **Wafrah** expects to conclude trial operations of production lines for processing and packaging of frozen and cooked meat with GEA Food Solutions, in Q2-25. (Source: Argaam)
- **City Cement** reappoints Mr. Badr bin Omar Al Abdullatif as the Chairman of the board and Mr. Saleh bin Ibrahim Al Shabnan as the Vice Chairman. (Source: Tadawul)

## Market Analysis

The **Saudi Stock Exchange** decreased 0.1% to 12,362.4 points. The value traded stood at SAR 7.6bn (up 10.1% over the previous day), while advance-decline ratio stood at 109/122. The parallel market index stayed decreased 1.0% to 31,000.9 points. The value traded stood at SAR 36.2mn (down 34.6% over the previous day). Most of the sectors in the main market ended in red. Consumer Durables and Commercial Service (up 2.5% and 1.5%, respectively), increased the most. While Software & Services and Utilities (down 2.6% and 1.2%, respectively) decreased the most.

## Top Gainers

Company	Price	Change%
NASEEJ	108.20	10.0
JAHEZ	33.95	6.1
SAUDI GERMAN	79.40	4.8
CARE	161.60	4.1
JOUF CEMENT	11.92	4.0

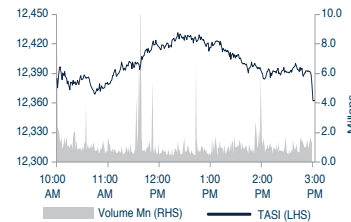
## Top Losers

Company	Price	Change%
ELM	1176.20	-4.0
BUDGET SAUDI	82.30	-2.7
GO TELECOM	102.60	-2.7
BAWAN	60.60	-2.6
SSP	69.00	-2.5

## Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	12,362	12,435	12,362	(0.1)	2.4
NomuC	31,001	31,285	30,915	(1.0)	0.0

## TASI movement during session



## TASI Ratios

P/E* (x)	24.6
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	5,302	0.0	0.0	16.6
Materials	5,598	-0.4	0.4	49.1
Capital Goods	16,147	0.7	6.1	26.2
Commercial Service	5,346	1.5	7.9	39.8
Transportation	7,458	-0.1	5.5	33.8
Consumer Durables	5,716	2.5	4.2	Neg
Consumer Services	4,939	0.8	1.9	41.7
Media	31,831	0.0	-0.5	High
Consumer Discretionary Ret	7,903	0.0	4.9	26
Consumer Staples Ret	8,456	-0.3	0.8	21.4
Food & Beverages	5,949	-0.2	-0.3	22.8
Healthcare	12,254	-0.1	3.3	41.4
Pharma & Bio Tech	5,325	0.9	7.1	40.2
Banks	12,666	0.3	2.8	13.2
Financial Services	7,795	0.2	0.7	28.5
Insurance	11,221	-0.5	5.3	26.1
Telecom	8,310	-0.2	4.4	15.9
Utilities	14,095	-1.2	1.8	27.5
REITs	3,165	-0.1	0.0	26.3
Real Estate	3,907	0.5	5.8	High
Software & Services	86,277	-2.6	5.3	41.6

## Average Index Value

Average days 5	Average days 10	Average days 20	Average value traded for January (bn)
12,340	12,242	12,138	6.1

## Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	26.3	1,288.80	1,904.80
Previous week	29.5	1,494.50	2,322.40

## Top Weighted Companies

Company	Price	Change%
Saudi Aramco	28.00	0.0
Al Rajhi	97.10	0.6
ACWA POWER	413.60	-1.5
SNB	34.90	-0.4
STC	41.90	-0.7





## International Market News

- **US** mortgage application activity remained steady in the week ended January 22, as the applications rose by just 0.1%. Despite limited movement overall, the market showed nuanced trends, including increased purchase applications and declining refinance activity. This occurred as mortgage rates remained near 7%. (Source: CNBC)
- **Atlanta Fed's** business inflation expectations suggests that the inflation expectations for firms' for the coming year increased to 2.2%. While the sales levels compared to the normal times remained unchanged, the profit margins have decreased substantially. (Source: Investing.com)
- **UK's** public sector net borrowing increased to GBP 17.8bn in December, from last year's GBP 10.1bn. This was the highest December borrowing for four years and was also above the GBP 14.6 billion that was forecasted. The deficit more than doubled due to interest payments and thus highlighted the challenges faced amidst high borrowing costs and weaker economic growth. (Source: Reuters)
- **Japan** posted a seasonally adjusted merchandise trade surplus of Yen 130.9bn in December and beat the consensus expectations for a deficit of Yen 55.0bn. Exports climbed 2.8% Y/Y, while imports rose 1.8% on Y/Y basis. (Source: RTT News)
- **Oil prices** fell 0.4% due to uncertainty over how the US President's proposed tariffs and energy policies would impact global economic growth and energy demand.
- **Gold prices** gained 0.4% amid US tariff fears under the US President's administration.

## Forex / Currency

Currency / USD	Close	Daily Change%	MTD %	YTD %
Dollar Index	108.17	0.1	-0.3	-0.3
Euro	1.04	-0.2	0.5	0.5
Japanese Yen	156.53	0.6	-0.4	-0.4
Sterling Pound	1.23	-0.3	-1.6	-1.6
Chinese Yuan	7.28	0.2	-0.8	-0.8
Indian Rupee	86.33	-0.3	0.8	0.8
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	0.0	0.0
Omani Rial	0.38	-0.0	-0.0	-0.0
Bahraini Dinar	0.38	0.0	-0.1	-0.1
Egyptian Pound	50.31	0.1	-1.0	-1.0

## Corporate Calendar

Date	Company	Event
26-Jan	SFICO	EGM
26-Jan	MULKIA REIT	Eligibility of Cash Dividend
27-Jan	ALMAJED OUD	EGM
29-Jan	GASCO	Cash Dividend Distribution
29-Jan	MALATH INSURANCE	EGM
30-Jan	MUNAWLA	Eligibility of Cash Dividend

EGM: Extra Ordinary Meeting\*

OGM: Ordinary General Meeting\*

## Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	5,231	0.2	1.4	1.4	10.1
Abu Dhabi (ADX)	9,534	0.2	1.2	1.2	17.1
Kuwait (KSE)	8,178	0.9	4.3	4.3	23.8
Qatar (QE)	10,619	1.1	0.5	0.5	11.5
Oman (MSM)	4,619	0.1	0.9	0.9	9.1
Bahrain (BSE)	1,899	-0.3	-4.4	-4.4	15.4
Egypt (EGX30)	29,979	0.5	0.8	0.8	6.2

## International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	44,157	0.3	3.8	3.8	24.1
Nasdaq	20,009	1.3	3.6	3.6	41.7
S&P 500	6,086	0.6	3.5	3.5	27.4
FTSE 100	8,545	-0.0	4.6	4.6	14.1
Germany DAX 30	21,254	1.0	6.8	6.8	17.7
France CAC 40	7,837	0.9	6.2	6.2	14.9
Japan Nikkei 225	39,646	1.6	-0.6	-0.6	18.4
Brazil IBOVESPA	122,972	-0.3	2.2	2.2	8.2
Hong Kong Hang Seng	19,779	-1.6	-1.4	-1.4	9.8
South Korea KOSPI	2,547	1.2	6.2	6.2	12.1
China Shanghai Composite	3,214	-0.9	-4.1	-4.1	15.6
Australia ASX 200	8,430	0.3	3.3	3.3	21.3
India Sensex	76,405	0.7	-2.2	-2.2	22.1
MSCI EM	1,082	0.1	0.6	0.6	13.8
MSCI World	3,838	0.5	3.5	3.5	22.6

## Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	83.39	-1.0	7.9	7.9
Brent Crude (\$/bbl)	79.00	-0.4	5.8	5.8
Texas crude (\$/bbl)	75.44	-0.6	5.2	5.2
Natural Gas (\$/mmbtu)	3.96	5.4	9.0	9.0
Gold (\$/oz)	2,756.48	0.4	5.0	5.0
Silver (\$/oz)	30.83	0.2	6.7	6.7
Steel (\$/ton)	688.00	-0.4	-3.0	-3.0
Iron Ore (CNY/MT)	800.50	-0.7	2.8	2.8
Wheat (\$/bu)	554.00	-0.9	0.5	0.5
Corn (\$/bu)	484.25	-1.2	5.6	5.6
Sugar (\$/lb)	18.16	2.1	-5.7	-5.7
SMP* (EUR/MT)	2,549.00	-0.0	-2.1	-2.1

\*SMP: Skimmed Milk Powder

## Interbank Rates

Region	Rate*	Daily Change(bps)	MTD (bps)	YTD (bps)
KSA (SAIBOR 1M)	5.57	-1.7	-5.2	-5.2
KSA (SAIBOR 3M)	5.38	-1.8	-16.2	-16.2
KSA (SAIBOR 6M)	5.45	-1.4	-0.6	-0.6
KSA (SAIBOR 12M)	5.21	-3.1	-4.0	-4.0
USA (SOFR 3M)	4.30	0.6	-0.8	-0.8
UAE (EIBOR 3M)	4.25	-18.3	-19.3	-19.3

Data Sources: Tadawul, Bloomberg, Reuters

Closes as of Jan 22, 2025



## Technical observations

Index	TASI
Ticker	SASEIDX Index
Last Close	12,362
Short-term view	Neutral
52 weeks high/low	12,883 – 11,318

## Market data

Exchange Market Cap. (SAR bn)	10,307.5
Value (SAR mn)	7,629.1
Volume (mn)	346.1
Number of Transactions	519,256
Market Breadth	109 : 122

## Key statistics

1D return %	-0.06%
MTD return %	2.71%
QTD return	2.71%
YTD return	2.71%
ADT vol. 3M* (mn)	473.5
ADT val. 3M (SARmn)	5,858.2

\* ADT stands for Average Daily Traded

## TASI market commentary

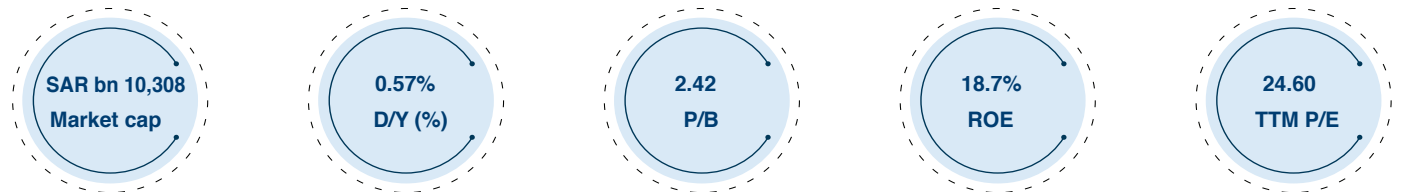
- TASI experienced a decline on Wednesday; primarily driven by the performance of the Utilities sector (down 1.18%) and the Materials sector (down 0.38%). At close, the Saudi market ended the day with a change of -0.06% at 12,362. In terms of activity, total volumes and value traded were ~346mn and ~SAR 7.6bn, respectively. The advance-decline ratio came in at 109/122.

## Technical outlook

- TASI closed the last session near 12,362, registering a decrease of 7 points. Despite the initial buying attitude at the session's onset, the profit-booking sentiment reemerged and forced the index to surrender all profits to close below the significant resistance of the previous peak of around 12,390 for the third consecutive session. TASI formed a Shooting Star candlestick confirming the prior red candlestick, which suggests a possible further profit booking sentiment in the near term. Moreover, the RSI indicator started to decline within its Overbought zone above the 70 level. TASI has an immediate support level of around 12,340. If breached, the subsequent support levels would be around 12,240 – 12,140. On the other hand, an immediate resistance level is seen around 12,390. If successfully surpassed, the subsequent resistance levels to watch for would be around 12,455 – 12,625. Traders are advised to cautiously trade and closely monitor the significant support zone of the 10-day SMA and the prior peak near 12,240– 12,220, where buying attitudes may reemerge.

## Key price levels

S3	S2	S1	Pivot	R1	R2	R3
12,100	12,140	12,240	12,340	12,390	12,455	12,625



Source: Bloomberg, Argam

## TASI daily chart

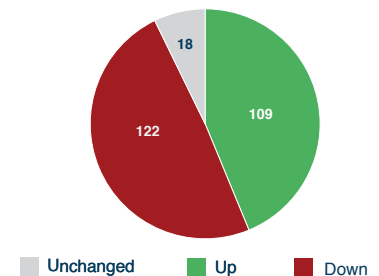


Source: Tradingview, Aljazira Capital

## 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 22<sup>nd</sup> January 2025

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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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