

Domestic Market News

- Minister of Industry and Mineral Resources to explore innovation, knowledge transfer opportunities in key sectors. It is in talks with Canadian mining companies, for mining in **KSA** with an estimated mineral wealth of USD 2.5tn. (Source: Argaam)
- The Ministry of Finance** and the National Debt Management Center's (NDMC) arranged the October issuance of the Shariah-compliant, government-backed savings product (Sah). Individuals will start subscribing on Oct. 6. The return was set at 4.93%, while the allocation will take place on Oct. 15. (Source: Argaam)
- Retal** signed USD 224.4mn contract with Building Construction to construct 442 residential units in South Jeddah. The project to have positive financial impact over FY24-27. (Source: Tadawul)
- Aramco** set November official selling price for its flagship Arab Light crude to North America at USD 3.9 per barrel. It was priced USD 0.55 below the ICE Brent for Europe and Mediterranean. (Source: Argaam)
- Al-Munif Co.** announces the signing of (a contract to purchase wheat seeds amounting to 2,000 tons) with **(Al-Jouf Agricultural Development)**. The total value of this contract is 4,500,000 riyals. (Source: Tadawul)
- Amana Cooperative Insurance Company** announces that it received the final approval of the Insurance Authority to market and sell the medical malpractice insurance product provided to individual clients and groups in the Kingdom of Saudi Arabia. (Source: Tadawul)

Market Analysis

The **Saudi Stock Exchange** decreased 0.7% to 11,957.5. The value traded stood at SAR 7.2bn (down 11.5% over the previous day), while advance-decline ratio stood at 65/163. The parallel market index decreased 0.2% to 24,915.4 points. The value traded stood at SAR 21.8mn (down 36.9% over the previous day). Most of the sectors in the main market ended in red. Diversified Financials and Media (up 1.4% and 0.2%, respectively), while Pharma & Bio Tech and Utilities (down 1.7% and 1.6%, respectively) declined the most.

Top Gainers

Company	Price	Change%
KINGDOM	10.74	9.9
ANAAM HOLDING	1.27	8.6
ALBAHA	0.28	7.7
ALHOKAIR GROUP	2.65	5.6
TECO	1.04	5.1

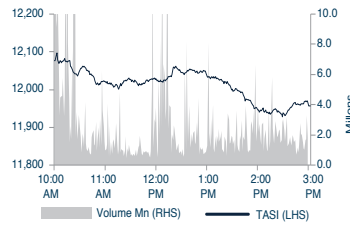
Top Losers

Company	Price	Change%
RETAL	14.54	-6.0
SFICO	26.85	-5.8
ALISTITHMAR REIT	10.66	-5.0
RED SEA	63.10	-4.1
AMIANTIT	29.20	-3.8

Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	11,958	12,100	11,928	(0.7)	(0.7)
NomuC	24,915	24,950	24,676	(0.2)	1.6

TASI movement during session



TASI Ratios

P/E* (x)	26.2
Price-to-Book (x)	2.5
Dividend Yield (%)	2.7
Return on Equity (%)	19.3

*Source: Argaam (Excluding Aramco)

Index	Close	Daily Change%	YTD %	PE (TTM)
Energy	5,131	-0.6	-17.7	15.3
Materials	5,865	-0.2	-8.2	High
Capital Goods	12,955	-0.6	28.5	26.3
Commercial Service	4,865	-0.3	-12.8	37.3
Transportation	7,273	-0.9	14.5	33.8
Consumer Durables	5,223	-0.5	4.9	Neg
Consumer Services	5,101	-0.6	2.5	40.1
Media	33,801	0.2	37.7	High
Consumer Discretionary Ret	7,895	-0.8	-8.4	22.4
Consumer Staples Ret	9,429	0.0	-3.5	23.6
Food & Beverages	5,928	0.0	5.3	29.3
Healthcare	12,396	-0.6	1.4	41.3
Pharma & Bio Tech	5,475	-1.7	12.5	46.2
Banks	11,342	-0.9	-7.7	12.3
Financial Services	7,935	1.4	17.8	32
Insurance	10,169	-1.3	18.3	24.4
Telecom	8,038	-0.7	3.5	15.6
Utilities	15,818	-1.6	59.4	32.7
REITs	3,319	0.0	-9.5	27.6
Real Estate	3,777	-1.1	23.6	45.8
Software & Services	82,840	-0.6	20.8	43.7

Average Index Value

Average days 5	Average days 10	Average days 20	Average value traded for September (bn)
12,151	12,195	12,058	6.67

Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	36.7	4,201.70	2,692.00
Previous week	27.4	1,524.80	2,088.40

Top Weighted Companies

Company	Price	Change%
Saudi Aramco	27.05	-0.6
Al Rajhi	84.10	-0.9
SNB	33.50	-0.9
ACWA POWER	476.00	-1.7
ALINMA	27.90	-0.5



International Market News

- According to **Baker Hughes**, North America's rig count increased 808 in the week ended October 04 from 805 earlier. The rig count fell to 585 in the US from 587 earlier, while decreased to 16 in the Gulf of Mexico from 17. The rig count in Canada increased to 223, from 218. (Source: Baker Hughes)
- US** initial jobless claims rose by 6K, to 225K in week ended September 28. The reading although increased but isn't at a level that would signal significant new weakness in the labor market. (Source: Reuters)
- US** non-farm payroll employment jumped by 254K jobs in September after climbing 159K jobs in August. The economists had expected the jobs to rise by 140K. The stronger than expected job growth was due to notable increase in employment in leisure, hospitality and healthcare. (Source: RTT News)
- US** treasury revealed plans to sell USD 58bn worth of three-year notes, USD 39bn worth of ten-year notes and USD 22bn worth of thirty-year bonds. Three and ten year-note auctions attracted above average demand. (Source: Reuters)
- UK** services PMI dropped to 52.4 in September from 53.7. The new orders grew close to the 14-month peak seen in July, underpinned by lower borrowing costs and domestic economic stability. (Source: CNBC)
- Oil prices** on Friday gained 0.2% on concerns of the growing conflicts in the Middle East which could disrupt the supply flows from this key exporting region.
- Gold prices** on Friday fell 0.1% as stronger than expected US jobs report hinted of labor market remaining solid, thereby leading to a small rate cut by the Fed.

Forex / Currency

Currency / USD	Close	Daily Change%	MTD %	YTD %
Dollar Index	102.52	0.5	1.7	1.2
Euro	1.10	-0.5	-1.4	-0.6
Japanese Yen	148.70	1.2	3.5	5.4
Sterling Pound	1.31	-0.0	-1.9	3.1
Chinese Yuan	7.10	0.7	1.3	-0.4
Indian Rupee	83.97	0.0	0.2	0.9
UAE Dirham	3.67	0.0	0.0	0.0
Qatari Rial	3.65	0.0	0.0	0.0
Kuwaiti Dinar	0.31	0.0	0.3	-0.4
Omani Rial	0.39	0.0	0.0	0.0
Bahraini Dinar	0.38	0.0	0.0	0.0
Egyptian Pound	48.34	-0.0	0.1	56.4

Corporate Calendar

Date	Company	Event
6-Oct	ETIHAD ETISALAT	Cash Dividend Distribution
6-Oct	GULF GENERAL	EGM
6-Oct	NETWORKERS	Eligibility of Cash Dividend
7-Oct	SADAFCO	Cash Dividend Distribution
9-Oct	2P	EGM
10-Oct	BAWAN	Cash Dividend Distribution

EGM: Extra Ordinary Meeting*

OGM: Ordinary General Meeting*

Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	4,406	0.2	-2.2	8.5	8.5
Abu Dhabi (ADX)	9,180	-0.4	-2.6	-4.2	16.7
Kuwait (KSE)	7,583	-0.6	-1.6	1.4	22.2
Qatar (QE)	10,465	-1.0	-1.4	-3.4	11.6
Oman (MSM)	4,674	-0.1	-0.8	3.5	12.0
Bahrain (BSE)	2,006	-0.1	-0.3	1.8	7.9
Egypt (EGX30)	31,721	1.2	0.4	27.4	8.3

International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	42,353	0.8	0.1	12.4	23.0
Nasdaq	20,035	1.2	-0.1	19.1	34.1
S&P 500	5,751	0.9	-0.2	20.6	26.2
FTSE 100	8,281	-0.0	0.5	7.1	14.6
Germany DAX 30	19,121	0.6	-1.1	14.1	15.9
France CAC 40	7,541	0.9	-1.2	-0.0	13.9
Japan Nikkei 225	38,636	0.2	1.9	15.5	23.2
Brazil IBOVESPA	131,792	0.1	-0.0	-1.8	10.0
Hong Kong Hang Seng	22,737	2.8	7.6	33.4	12.2
South Korea KOSPI	2,570	0.3	-0.9	-3.2	13.2
China Shanghai Composite	3,336	0.0	0.0	12.2	16.1
Australia ASX 200	8,150	-0.7	-1.4	7.4	20.9
India Sensex	81,688	-1.0	-3.1	13.1	24.8
MSCI EM	1,179	0.5	0.7	15.2	16.3
MSCI World	3,698	0.6	-0.7	16.7	22.8

Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	79.18	4.6	6.0	-1.5
Brent Crude (\$/bbl)	78.05	0.6	8.8	1.3
Texas crude (\$/bbl)	74.38	0.9	9.1	3.8
Natural Gas (\$/mmbtu)	2.85	-3.9	-2.4	-7.7
Gold (\$/oz)	2,653.60	-0.1	0.7	28.6
Silver (\$/oz)	32.20	0.6	3.3	35.3
Steel (\$/ton)	724.00	0.0	-1.5	-36.2
Iron Ore (CNY/MT)	792.00	0.0	0.0	-24.1
Wheat (\$/bu)	589.75	-2.3	1.0	-11.8
Corn (\$/bu)	424.75	-0.8	0.0	-15.6
Sugar (\$/lb)	23.01	-1.0	2.4	11.1
SMP* (EUR/MT)	2,595.00	0.1	-1.1	0.7

*SMP: Skimmed Milk Powder

Interbank Rates

Region	Rate*	Daily Change(bps)	MTD (bps)	YTD (bps)
KSA (SAIBOR 1M)	5.54	-6.2	3.3	-37.6
KSA (SAIBOR 3M)	5.60	2.4	3.0	-63.0
KSA (SAIBOR 6M)	5.46	2.1	-2.3	-61.2
KSA (SAIBOR 12M)	5.22	0.3	-4.0	-77.0
USA (SOFR 3M)	4.58	-0.6	-0.8	-74.7
UAE (EIBOR 3M)	4.46	-12.9	-19.8	-87.0

Data Sources: Tadawul, Bloomberg, Reuters

Closes as of Oct 3, 2024



Technical observations	
Index	TASI
Ticker	SASEIDX Index
Last Close	11,958
Short-term view	Cautious
52 weeks high/low	12,883 – 10,262

Market data	
Exchange Market Cap. (SAR bn)	10,006.3
Value (SAR mn)	7,197.5
Volume (mn)	856.5
Number of Transactions	542,191
Market Breadth	65 : 163

Key statistics	
1D return %	-0.72%
MTD return %	-2.20%
QTD return	-0.08%
YTD return	-0.08%
ADT vol. 3M* (mn)	389.7
ADT val. 3M (SARmn)	7,088.4

*ADT stands for Average Daily Traded

TASI market commentary

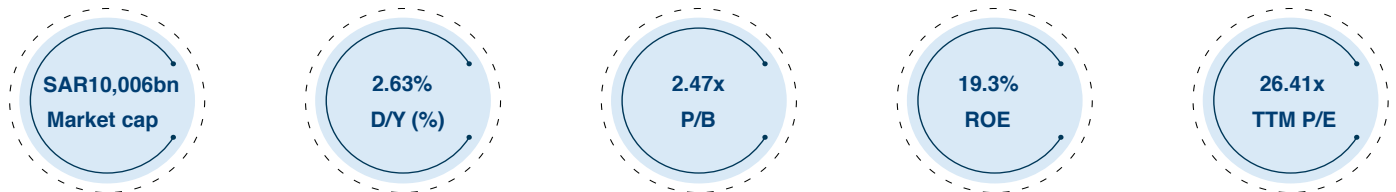
TASI experienced a decline on Thursday; primarily driven by the performance of the Banks sector (down 0.90%) and the Telecommunication services sector (down 0.67%). At close, the Saudi market ended the day with a change of -0.72% at 11,958. In terms of activity, total volumes and value traded were ~857mn and ~SAR 7.2bn, respectively. The advance-decline ratio came in at 65/163.

Technical outlook

TASI closed the last session near 11,958, marking a loss of 87 points. The sell-off continued driving the index downward after breaching its 20-day SMA near 12,060, to breach the 61.8% Fibonacci retracement level around 12,000. TASI formed a long-bodied red candlestick accompanied by relatively high trading activity, closing below a rising trendline, indicating a potential further decline towards the prior trough of around 11,765. Moreover, the RSI continued its downward path after breaching the level of 50. TASI has an immediate support level of around 11,900. If breached, the subsequent support levels would be around 11,835 – 11,765. On the other hand, an immediate resistance level is observed around 12,000. If successfully surpassed, the subsequent resistance levels to watch for would be around 12,060 – 12,150. Traders are advised to stay cautious and closely monitor the critical support level of the prior trough around 11,765.

Key price levels

S3	S2	S1	Pivot	R1	R2	R3
11,765	11,835	11,900	11,950	12,000	12,060	12,150



Source: Bloomberg, Argaam

TASI daily chart

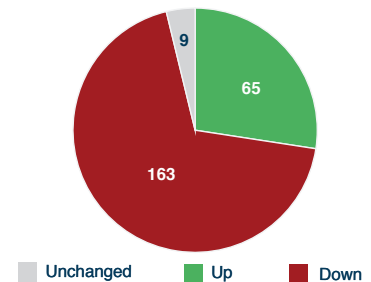


Source: Tradingview, Aljazira Capital

Our view



Market depth



SAUDI MARKET - TOP PICKS FOR THE WEEK

Code	Company	Close*	Buy range	Sell range	Reward %	Stop loss
------	---------	--------	-----------	------------	----------	-----------

No stocks recommendations due to market volatility

*As of 03rd October 2024

Head of Sell-Side Research

Jassim Al-Jubran

+966 11 2256248

j.aljabran@aljaziracapital.com.sa

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.

Disclaimer

The purpose of producing this report is to present a general view on the company/economic sector/economic subject under research, and not to recommend a buy/sell/hold for any security or any other assets. Based on that, this report does not take into consideration the specific financial position of every investor and/or his/her risk appetite in relation to investing in the security or any other assets, and hence, may not be suitable for all clients depending on their financial position and their ability and willingness to undertake risks. It is advised that every potential investor seek professional advice from several sources concerning investment decision and should study the impact of such decisions on his/her financial/legal/tax position and other concerns before getting into such investments or liquidate them partially or fully. The market of stocks, bonds, macroeconomic or microeconomic variables are of a volatile nature and could witness sudden changes without any prior warning, therefore, the investor in securities or other assets might face some unexpected risks and fluctuations. All the information, views and expectations and fair values or target prices contained in this report have been compiled or arrived at by Al-Jazira Capital from sources believed to be reliable, but Al-Jazira Capital has not independently verified the contents obtained from these sources and such information may be condensed or incomplete. Accordingly, no representation or warranty, express or implied, is made as to, and no reliance should be placed on the fairness, accuracy, completeness or correctness of the information and opinions contained in this report. Al-Jazira Capital shall not be liable for any loss as that may arise from the use of this report or its contents or otherwise arising in connection therewith. The past performance of any investment is not an indicator of future performance. Any financial projections, fair value estimates or price targets and statements regarding future prospects contained in this document may not be realized. The value of the security or any other assets or the return from them might increase or decrease. Any change in currency rates may have a positive or negative impact on the value/return on the stock or securities mentioned in the report. The investor might get an amount less than the amount invested in some cases. Some stocks or securities maybe, by nature, of low volume/trades or may become like that unexpectedly in special circumstances and this might increase the risk on the investor. Some fees might be levied on some investments in securities. This report has been written by professional employees in Al-Jazira Capital, and they undertake that neither them, nor their wives or children hold positions directly in any listed shares or securities contained in this report during the time of publication of this report, however, The authors and/or their wives/children of this document may own securities in funds open to the public that invest in the securities mentioned in this document as part of a diversified portfolio over which they have no discretion. This report has been produced independently and separately by the Research Division at Al-Jazira Capital and no party (in-house or outside) who might have interest whether direct or indirect have seen the contents of this report before its publishing, except for those whom corporate positions allow them to do so, and/or third-party persons/institutions who signed a non-disclosure agreement with Al-Jazira Capital. Funds managed by Al-Jazira Capital and its subsidiaries for third parties may own the securities that are the subject of this document. Al-Jazira Capital or its subsidiaries may own securities in one or more of the aforementioned companies, and/or indirectly through funds managed by third parties. The Investment Banking division of Al-Jazira Capital maybe in the process of soliciting or executing fee earning mandates for companies that is either the subject of this document or is mentioned in this document. One or more of Al-Jazira Capital board members or executive managers could be also a board member or member of the executive management at the company or companies mentioned in this report, or their associated companies. No part of this report may be reproduced whether inside or outside the Kingdom of Saudi Arabia without the written permission of Al-Jazira Capital. Persons who receive this report should make themselves aware, of and adhere to, any such restrictions. By accepting this report, the recipient agrees to be bound by the foregoing limitations.