



## Domestic Market News

- **SAMA** reduced its reverse repo rate and repo rate by 50bps. SAMA follows interest rate moves of US Fed due to the currency being pegged to USD. (Source: Argaam)
- **Ministry of Industry** issued 32 new mining licenses in July. The total number of active mining licenses in the sector reached 2,281 by end of July. (Source: Argaam)
- Egypt's e-payment services firm Fawry is in talks with number of partners in the kingdom with the aim of entering the **Saudi market**, due to KSA's size and population in the GCC region making it the top market for a presence. (Source: Argaam)
- POS transactions in **KSA** reached SAR 12.2bn in the week ended September 14. The number of POS transactions reached 207.4mn. (Source: Argaam)
- **Sure Global** announced renewal of SAR 36.8mn credit facility agreement with Saudi National Bank, for financing current and future projects. (Source: Tadawul)
- **Retal** announced selling of its 33.3% share in a land in Al Khobar City for SAR 21.5mn, to Remal Park Fund. The purpose of this sale is to increase the leasable area of the project. (Source: Tadawul)
- **Leejam Sports** opened 2 new centers in Riyadh, whose financial impact will appear as of Q3-24. (Source: Tadawul)
- **Batic** announced that 88% of infrastructure development works for Al-Khzama project in Madinah has been completed. The entire work is expected to be completed during Q4-24. (Source: Tadawul)

## Market Analysis

The **Saudi Stock Exchange** increased 0.3% to 11,920.9. The value traded stood at SAR 5.7bn (down 1.1% over the previous day), while advance-decline ratio stood at 140/81. The parallel market index decreased 0.1% to 25,596.2 points. The value traded stood at SAR 64.6mn (up 103.7% over the previous day). Most of the sectors in the main market ended in green. Pharma & Bio Tech and Media (up 2.2% and 1.4%, respectively), while Insurance and Energy (down 1.3% and 0.4%, respectively) declined the most.

## Top Gainers

| Company          | Price | Change% |
|------------------|-------|---------|
| RED SEA          | 53.00 | 10.0    |
| ALISTITHMAR REIT | 10.10 | 8.0     |
| BATIC            | 3.63  | 5.2     |
| SAB              | 35.05 | 4.3     |
| SEERA            | 23.66 | 3.9     |

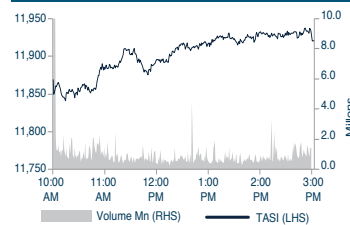
## Top Losers

| Company  | Price  | Change% |
|----------|--------|---------|
| GIG      | 32.00  | -2.6    |
| TANMIAH  | 144.40 | -2.6    |
| WALAA    | 22.20  | -2.6    |
| ENAYA    | 16.84  | -2.6    |
| TAWUNIYA | 145.60 | -2.4    |

## Saudi Stock Exchange

| Index | Closing | High   | Low    | Daily Change% | YTD % |
|-------|---------|--------|--------|---------------|-------|
| TASI  | 11,921  | 11,939 | 11,838 | 0.3           | (1.0) |
| NomuC | 25,596  | 25,703 | 25,506 | (0.1)         | 4.4   |

## TASI movement during session



## TASI Ratios

|                      |      |
|----------------------|------|
| P/E* (x)             | 25.8 |
| Price-to-Book (x)    | 2.4  |
| Dividend Yield (%)   | 2.7  |
| Return on Equity (%) | 19.4 |

\*Source: Argaam (Excluding Aramco)

| Index                      | Close  | Daily Change% | YTD % | PE (TTM) |
|----------------------------|--------|---------------|-------|----------|
| Energy                     | 5,131  | -0.4          | -17.7 | 15.4     |
| Materials                  | 5,598  | 0.4           | -12.4 | High     |
| Capital Goods              | 12,981 | 0.0           | 28.7  | 26.5     |
| Commercial Service         | 5,089  | 1.0           | -8.8  | 39.2     |
| Transportation             | 7,487  | 0.1           | 17.9  | 34.8     |
| Consumer Durables          | 5,293  | 0.9           | 6.3   | Neg      |
| Consumer Services          | 5,155  | 0.4           | 3.6   | 40.7     |
| Media                      | 31,756 | 1.4           | 29.3  | 48.3     |
| Consumer Discretionary Ret | 8,008  | 0.7           | -7.1  | 22.7     |
| Consumer Staples Ret       | 9,453  | -0.2          | -3.3  | 23.8     |
| Food & Beverages           | 6,103  | -0.2          | 8.4   | 30.1     |
| Healthcare                 | 12,731 | -0.1          | 4.1   | 42.4     |
| Pharma & Bio Tech          | 5,687  | 2.2           | 16.8  | 48.5     |
| Banks                      | 11,799 | 0.8           | -4.0  | 12.8     |
| Financial Services         | 7,753  | 0.0           | 15.1  | 30.1     |
| Insurance                  | 10,680 | -1.3          | 24.3  | 25.7     |
| Telecom                    | 8,075  | 0.3           | 3.9   | 15.7     |
| Utilities                  | 13,832 | -0.1          | 39.4  | 28.8     |
| REITs                      | 3,341  | 0.2           | -8.9  | 27.7     |
| Real Estate                | 3,718  | 0.9           | 21.6  | 45.3     |
| Software & Services        | 78,455 | 0.5           | 14.4  | 41.4     |

## Average Index Value

| Average days 5 | Average days 10 | Average days 20 | Average value traded for September (bn) |
|----------------|-----------------|-----------------|---|
| 11,883         | 11,921          | 12,052          | 6.31                                    |

## Market Statistics

|               | Value Traded (SAR bn) | Volumes (mn shares) | No. of Trades ('000) |
|---------------|-----------------------|---------------------|----------------------|
| Current Week  | 20.9                  | 1,594.20            | 1,881.80             |
| Previous week | 30.6                  | 2,331.40            | 2,460.60             |

## Top Weighted Companies

| Company      | Price  | Change% |
|--------------|--------|---------|
| Saudi Aramco | 27.10  | -0.4    |
| Al Rajhi     | 88.10  | 0.3     |
| SNB          | 34.55  | 0.7     |
| ACWA POWER   | 400.00 | -0.3    |
| ALINMA       | 29.30  | 0.3     |





## International Market News

- According to **EIA**, oil inventories in the US decreased 1.6mn barrels (prior: up 0.8mn) to 417.5mn in the week ended September 13. Gasoline inventories increased 0.1mn barrels (prior: up 2.3mn) to 221.6mn, while distillate inventories increased 0.1mn barrels (prior: up 2.3mn) to 125.1mn. (Source: EIA, Econoday)
- Fed Reserve** slashed rates by 50bps, versus the much anticipated cut of 25bps. The decision to opt for the larger rate cut was because the risks to achieving employment and inflation goals were in balance, according to the Fed. (Source: RTT News)
- US** housing starts surged 9.6% to 1.4mn in August, following a 3.9% drop in July, surpassing the expected 5.8% rise. The rebound was driven by a 15.8% jump in single-family starts. (Source: CNBC)
- Eurozone** inflation rose to 2.2% in August, slower than July's 2.6% rise. The core inflation slowed only marginally to 2.8%. Among the main components, services showed the highest growth. (Source: Reuters)
- Eurozone** construction output remained flat in July, versus a 0.6% growth in June. Civil engineering and specialized construction activities remained stagnant over the month, while construction of buildings declined by 0.8%. (Source: Reuters)
- UK** inflation gained 2.2% and stayed above the 2% mark for the second straight month. The core inflation accelerated 3.6%, while services inflation rose to 5.6%. This provides cues on Bank of England likely pausing the interest rate cuts. (Source: Reuters)
- Oil prices** fell 1.2% as rate cuts from Fed raised worries about the US economy.
- Gold prices** fell 0.4% as US Treasury strengthened, especially post the Fed rate cut announcement.

## Forex / Currency

| Currency / USD | Close  | Daily Change% | MTD % | YTD % |
|----------------|--------|---------------|-------|-------|
| Dollar Index   | 100.60 | -0.3          | -1.1  | -0.7  |
| Euro           | 1.11   | 0.0           | 0.6   | 0.7   |
| Japanese Yen   | 142.29 | -0.1          | -2.7  | 0.9   |
| Sterling Pound | 1.32   | 0.4           | 0.7   | 3.8   |
| Chinese Yuan   | 7.10   | -0.2          | 0.1   | -0.4  |
| Indian Rupee   | 83.76  | 0.0           | -0.1  | 0.7   |
| UAE Dirham     | 3.67   | 0.0           | 0.0   | 0.0   |
| Qatari Rial    | 3.65   | -0.0          | -0.0  | 0.0   |
| Kuwaiti Dinar  | 0.30   | -0.0          | -0.2  | -0.8  |
| Omani Rial     | 0.38   | 0.0           | 0.0   | 0.0   |
| Bahraini Dinar | 0.38   | -0.0          | -0.0  | -0.0  |
| Egyptian Pound | 48.54  | 0.2           | -0.2  | 57.0  |

## Corporate Calendar

| Date   | Company         | Event                        |
|--------|-----------------|------------------------------|
| 19-Sep | YAQEEEN         | EGM                          |
| 19-Sep | ETIHAD ETISALAT | Eligibility of Cash Dividend |
| 19-Sep | RIYADH CABLES   | Eligibility of Cash Dividend |
| 19-Sep | ALMAJED OUD     | Final Allocation Date        |
| 19-Sep | SIDC            | EGM                          |
| 19-Sep | ARDCO           | Cash Dividend Distribution   |

EGM: Extra Ordinary Meeting\*

OGM: Ordinary General Meeting\*

## Regional Markets

| Market          | Close  | Daily Change% | MTD % | YTD % | P/E  |
|-----------------|--------|---------------|-------|-------|------|
| Dubai (DFM)     | 4,390  | -0.1          | 1.5   | 8.1   | 8.5  |
| Abu Dhabi (ADX) | 9,423  | -0.1          | 1.5   | -1.6  | 17.1 |
| Kuwait (KSE)    | 7,747  | 0.1           | -1.0  | 3.6   | 22.7 |
| Qatar (QE)      | 10,407 | 0.0           | 2.0   | -3.9  | 11.5 |
| Oman (MSM)      | 4,720  | 0.1           | -0.6  | 4.6   | 12.2 |
| Bahrain (BSE)   | 2,030  | 0.6           | 3.7   | 3.0   | 8.0  |
| Egypt (EGX30)   | 30,342 | 0.6           | -1.4  | 21.9  | 7.6  |

## International Markets

| Index                    | Close   | Daily Change% | MTD % | YTD % | P/E  |
|--------------------------|---------|---------------|-------|-------|------|
| Dow Jones                | 41,503  | -0.2          | -0.1  | 10.1  | 22.5 |
| Nasdaq                   | 19,344  | -0.5          | -1.2  | 15.0  | 32.9 |
| S&P 500                  | 5,618   | -0.3          | -0.5  | 17.8  | 25.6 |
| FTSE 100                 | 8,254   | -0.7          | -1.5  | 6.7   | 14.6 |
| Germany DAX 30           | 18,711  | -0.1          | -1.0  | 11.7  | 15.6 |
| France CAC 40            | 7,445   | -0.6          | -2.4  | -1.3  | 13.8 |
| Japan Nikkei 225         | 36,380  | 0.5           | -5.9  | 8.7   | 21.8 |
| Brazil IBOVESPA          | 133,748 | -0.9          | -1.7  | -0.3  | 10.1 |
| Hong Kong Hang Seng      | 17,660  | 0.0           | -1.8  | 3.6   | 9.4  |
| South Korea KOSPI        | 2,575   | 0.0           | -3.7  | -3.0  | 13.3 |
| China Shanghai Composite | 2,717   | 0.5           | -4.4  | -8.7  | 13.1 |
| Australia ASX 200        | 8,142   | 0.0           | 0.6   | 7.3   | 20.8 |
| India Sensex             | 82,948  | -0.2          | 0.7   | 14.8  | 25.2 |
| MSCI EM                  | 1,088   | -0.3          | -1.1  | 6.3   | 15.1 |
| MSCI World               | 3,630   | -0.3          | -0.9  | 14.5  | 22.6 |

## Commodity Markets

| Commodity                 | Price    | Daily Change% | MTD % | YTD % |
|---------------------------|----------|---------------|-------|-------|
| Arab Light Crude (\$/bbl) | 74.90    | -0.3          | -5.7  | -6.9  |
| Brent Crude (\$/bbl)      | 73.65    | -0.1          | -6.5  | -4.4  |
| Texas crude (\$/bbl)      | 70.91    | -0.4          | -3.6  | -1.0  |
| Natural Gas (\$/mmbtu)    | 2.28     | -1.7          | 7.4   | -16.7 |
| Gold (\$/oz)              | 2,558.91 | -0.4          | 2.2   | 24.0  |
| Silver (\$/oz)            | 30.08    | -2.0          | 4.2   | 26.4  |
| Steel (\$/ton)            | 703.00   | 0.4           | -1.5  | -38.1 |
| Iron Ore (CNY/MT)         | 694.00   | -4.9          | -10.6 | -33.5 |
| Wheat (\$/bu)             | 575.75   | 0.0           | 4.4   | -13.9 |
| Corn (\$/bu)              | 412.75   | 0.1           | 2.9   | -18.0 |
| Sugar (\$/lb)             | 21.55    | 5.8           | 9.6   | 4.1   |
| SMP* (EUR/MT)             | 2,600.00 | 0.0           | 5.3   | 0.9   |

\*SMP: Skimmed Milk Powder

## Interbank Rates

| Region           | Rate* | Daily Change(bps) | MTD (bps) | YTD (bps) |
|------------------|-------|-------------------|-----------|-----------|
| KSA (SAIBOR 1M)  | 5.73  | -2.3              | -29.4     | -18.5     |
| KSA (SAIBOR 3M)  | 5.82  | -1.1              | -24.1     | -40.8     |
| KSA (SAIBOR 6M)  | 5.62  | -1.3              | -21.8     | -45.5     |
| KSA (SAIBOR 12M) | 5.57  | -1.5              | 1.9       | -42.5     |
| USA (SOFR 3M)    | 4.81  | -0.6              | -20.3     | -51.8     |
| UAE (EIBOR 3M)   | 4.89  | 3.0               | -16.3     | -44.0     |

Data Sources: Tadawul, Bloomberg, Reuters

Closes as of Sept 18, 2024





## Technical observations

|                        |                 |
|------------------------|-----------------|
| Index                  | TASI            |
| Ticker                 | SASEIDX Index   |
| Last Close             | 11,921          |
| <b>Short-term view</b> | <b>NEUTRAL</b>  |
| 52 weeks high/low      | 12,883 – 10,262 |

## Market data

|                               |          |
|-------------------------------|----------|
| Exchange Market Cap. (SAR bn) | 9,966.0  |
| Value (SAR mn)                | 5,656.4  |
| Volume (mn)                   | 365.6    |
| Number of Transactions        | 485,850  |
| Market Breadth                | 140 : 81 |

## Key statistics

|                     |         |
|---------------------|---------|
| 1D return %         | 0.30%   |
| MTD return %        | -1.85%  |
| QTD return          | 2.07%   |
| YTD return          | -0.39%  |
| ADT vol. 3M* (mn)   | 323.8   |
| ADT val. 3M (SARmn) | 6,791.7 |

\*ADT stands for Average Daily Traded

## TASI market commentary

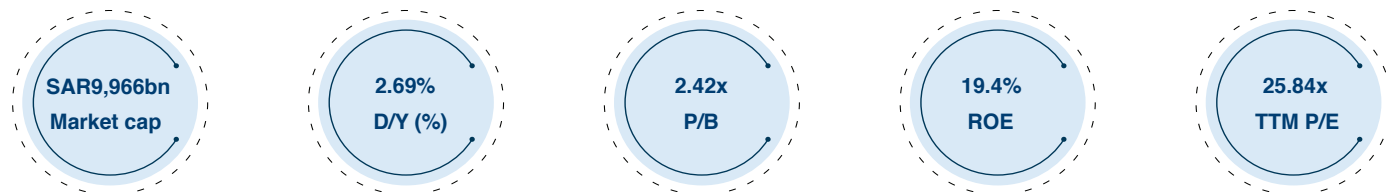
- TASI experienced a rise on Wednesday; primarily driven by the performance of the Banks sector (up 0.81%) and the Materials sector (up 0.43%). At close, the Saudi market ended the day with a change of 0.30% at 11,921. In terms of activity, total volumes and value traded were ~366mn and ~SAR 5.7bn, respectively. The advance-decline ratio came in at 140/81.

## Technical outlook

- TASI closed the last session near 11,921, marking an increase of 35 points. The index witnessed a buying attitude that drove it upwards, currently challenging the significant resistance area near the 200-day and 10-day EMAs alongside a declining trendline of around 11,940. TASI formed a green candlestick that engulfed the preceding one, indicating a renewed appetite for buying among market participants. Moreover, the RSI started bouncing off an upward trendline, heading upwards. TASI has an immediate resistance level of around 11,940. If successfully surpassed, the subsequent resistance levels to watch for would be around 12,000 – 12,050. On the other hand, an immediate support level is observed around 11,825. If breached, the subsequent support levels would be around 11,700 – 11,500. Traders are advised to closely monitor the critical resistance level of around 11,940. Penetrating this level could signify market stability; otherwise, the inability to surpass it may renew short-term pressure.

## Key price levels

| S3     | S2     | S1     | Pivot  | R1     | R2     | R3     |
|--------|--------|--------|--------|--------|--------|--------|
| 11,320 | 11,500 | 11,700 | 11,825 | 11,940 | 12,000 | 12,050 |



Source: Bloomberg, Argaam

## TASI daily chart

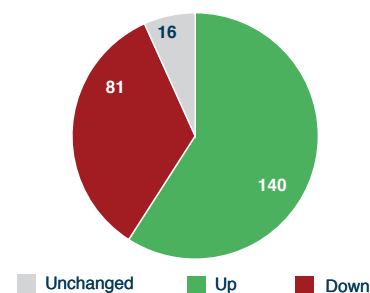


Source: Tradingview, Aljazira Capital

## Our view



## Market depth





## SAUDI MARKET - TOP PICKS FOR THE DAY

| Code | Company                  | Close* | Buy range     | Sell range    | Stop loss |
|------|--------------------------|--------|---------------|---------------|-----------|
| 4110 | Batic                    | 3.63   | 3.62 – 3.63   | 3.66 – 3.70   | 3.59      |
| 1810 | Seera                    | 23.66  | 23.60 – 23.66 | 23.86 – 24.12 | 23.36     |
| 1150 | Alinma Bank (Alinma )    | 29.30  | 29.25 – 29.30 | 29.55 – 29.90 | 28.95     |
| 7040 | Atheeb Telecom           | 88.00  | 87.80 – 88.00 | 88.80 – 89.80 | 86.90     |
| 4260 | Budget Saudi             | 88.00  | 87.80 – 88.00 | 88.90 – 89.70 | 86.90     |
| 1834 | Saudi Manpower Solutions | 8.99   | 8.97 – 8.99   | 9.07 – 9.17   | 8.88      |
| 4230 | Red Sea                  | 53.00  | 52.90 – 53.00 | 53.50 – 54.10 | 52.30     |

\*As of 18<sup>th</sup> September 2024

\* Note – Stop loss is based on an intraday basis

## CHARTS OF THE DAY

## Technical observations

**BATIC** has just penetrated the upper boundary of a declining channel as well as the level of the prior minor peak. Moreover, all the technical indicators show bullish structure.

## Batic Investments and Logistics Co. (BATIC)



Source: Tradingview, Aljazira Capital

## Technical observations

**SEERA** started to bounce off a previously penetrated declining trendline and penetrated its 20-day SMA. Moreover, all the technical indicators show bullish structure.

## Seera Group Holding (SEERA)



Source: Tradingview, Aljazira Capital



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.

Asset Management | Brokerage | Investment Banking | Custody | Advisory

Head Office: King Fahad Road, P.O. Box: 20438, Riyadh 11455, Saudi Arabia, Tel: 011 2256000 - Fax: 011 2256068