



Major Economic News

- **The Saudi Cabinet** approved the establishment of Legal Departments Support Program, aimed at supporting and developing legal departments in government agencies. It also greenlit the organizational structure of the Ministry of Culture. (Source: Argaam)

Major Corporate News

- **Seera** finalized the sale of 1.25mn shares in Uber for SAR 380mn. The ownership in Uber stemmed from Uber's acquisition of Careem, one of the group's portfolio companies at that time. (Source: Argaam)
- **Saudi Paper** signed a non-binding agreement with the Italian company TOSCOTEC, to buy a new (sixth) production line with a capacity of 60,000 tons annually, thereby bringing the company's total production capacity to 250,000 tons. The value of the production line and the equipment needed for operation is SAR 300mn, which will be financed internally and through banks and financing parties. (Source: Argaam)
- **Saudi Cable** decided to exit its investments in Turkey by disposing them through sale or any other way as per the Turkish law. The decision is within the company's framework of business strategy. The subsidiaries in Turkey did not achieve the desired returns and continued to incur losses during the past years, despite successive administrations. (Source: Argaam)

Earnings update (Net Profit) (SAR mn)

Company	Q4-23	Q4-22	Y/Y %	Q3-23	Q/Q %
HERFY	5.6	-59.3	NM	11.0	-49.05

* NM indicates Not Meaningful

Market Analysis

The **Saudi Stock Exchange** increased 0.3 to 12,470.2. The value traded stood at SAR 8.9bn (down 15.0% over the previous day), while the advance-decline ratio stood at 158/64. The parallel market index was flat at 26,435.0 points. The value traded stood at SAR 26.8mn (down 20.2% over the previous day). Most sectors in the main market ended in the green. Utilities and Capital Goods (up 4.2% and 3.8%, respectively) advanced the most, while Banks and Telecom (down 1.2% and 0.9%, respectively) led the laggards.

Top Gainers

Company	Price	Change%
ALYAMAMAH STEEL	37.40	10.0
AMIANITIT	29.35	9.9
SADR	3.91	9.8
SSP	61.90	8.4
AWPT	257.00	8.0

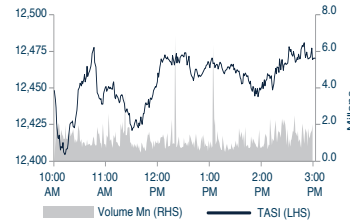
Top Losers

Company	Price	Change%
ALBAHA	0.14	-6.7
AVALON PHARMA	177.80	-5.4
CHUBB	30.80	-3.1
SAPTCO	19.62	-2.9
ANAAM HOLDING	1.08	-2.7

Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	12,470	12,489	12,399	0.3	4.2
NomuC	26,435	26,618	26,307	0.0	7.8

TASI movement during session



TASI Ratios

P/E* (x)	28.4
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	5,980	1.4	-3.8	16.6
Materials	6,138	0.6	-3.4	High
Capital Goods	12,581	3.8	26.7	42.1
Commercial Service	5,716	-0.1	2.8	36.5
Transportation	7,665	0.0	20.9	47
Consumer Durables	5,558	2.2	10.6	Neg
Consumer Services	5,732	1.3	16.0	40.9
Media	33,674	2.8	37.3	High
Consumer Discretionary Ret	8,916	0.6	4.6	28.9
Consumer Staples Ret	10,625	0.1	9.8	27.6
Food & Beverages	6,531	0.1	16.5	33.6
Healthcare	13,881	0.2	15.4	High
Pharma & Bio Tech	5,393	-0.1	11.0	High
Banks	12,429	-1.2	1.9	14.6
Financial Services	7,855	1.2	18.1	35.5
Insurance	9,801	0.2	15.7	26.2
Telecom	8,045	-0.9	4.2	15.1
Utilities	11,257	4.2	13.3	22.1
REITs	3,606	0.1	-1.7	High
Real Estate	3,386	0.7	11.1	High
Software & Services	85,311	1.5	24.4	High

Average Index Value

Average days 5	Average days 10	Average days 20	Average value traded for February (bn)
12,540	12,568	12,453	9.3

Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	19.5	789.80	1,231.50
Previous week	46.1	2,317.30	2,793.30

Top Weighted Companies

Company	Price	Change%
Saudi Aramco	31.65	1.4
Al Rajhi	85.90	-0.6
SNB	39.80	-1.7
SABIC	77.80	0.1
STC	40.55	-1.3





International Market News

- **US factory orders** fell steeply by 3.6% in January versus expectations of a 2.9% fall. The bigger than expected fall was due to a nosedive by durable goods orders which declined 6.2%. (Source: RTT News)
- **The US services** growth slowed in February as the ISM Services PMI index fell to 52.6 from 53.4 in January. The dip partly reflected a downturn in employment as the employment index dropped to 48.0 from 50.5 in January. The fall in Services PMI was due to faster supplier deliveries and the contraction in the employment index. (Source: RTT News)
- **Eurozone producer prices** declined further in January amid a continued downward trend in energy prices. The producer prices fell 8.6% Y/Y in January, versus expectations of a 8.1% fall. (Source: Reuters)
- **The UK service sector** expanded for the fourth consecutive month in February underpinned by robust new order growth and a further rise in employment. The services PMI index fell to 53.8 in February from 54.3 in January. New business grew at the fastest pace since May 2023 on rising business and consumer spending. Improving export sales helped to boost total order books. (Source: Reuters)
- **Oil prices** fell 0.2% due to concerns about demand growth in China, despite signs of supply tightness amid output cuts by major producers.
- **Gold prices** increased 0.1% on growing bets for interest rate cuts in June and strong demand due to conflict in the Middle East.

Forex / Currency

Currency / USD	Close	Daily Change%	MTD %	YTD %
Dollar Index	103.80	-0.0	-0.3	2.4
Euro	1.09	0.0	0.5	-1.6
Japanese Yen	150.05	-0.3	0.0	6.4
Sterling Pound	1.27	0.1	0.6	-0.2
Chinese Yuan	7.21	0.0	0.1	1.2
Indian Rupee	82.89	0.0	-0.0	-0.4
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	30.88	-0.0	-0.0	-0.1

Corporate Calendar

Date	Company	Event
6-Mar	TAKWEEN	Start of IPO
6-Mar	TAQAT MINERAL	Start of IPO
6-Mar	MODERN MILLS	End of IPO
6-Mar	ALANDALUS	EGM
6-Mar	NASEEJ	EGM
6-Mar	ALASEEL	Eligibility for Cash Dividend

EGM: Extra Ordinary Meeting*

OGM: Ordinary General Meeting*

Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	4,246	-1.9	-1.5	4.6	9
Abu Dhabi (ADX)	9,236	-0.5	-0.2	-3.6	20
Kuwait (KSE)	8,149	-0.0	-0.1	9.0	17
Qatar (QE)	10,385	-0.8	-0.9	-4.1	12
Oman (MSM)	4,703	1.5	3.2	4.2	13
Bahrain (BSE)	2,015	1.1	0.5	2.2	7
Egypt (EGX30)	30,669	0.4	5.9	23.2	15

International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	38,585	-1.0	-1.1	2.4	22.1
Nasdaq	17,898	-1.8	-0.8	6.4	34.9
S&P 500	5,079	-1.0	-0.3	6.5	24.3
FTSE 100	7,646	0.1	0.2	-1.1	10.3
Germany DAX 30	17,698	-0.1	0.1	5.7	14.9
France CAC 40	7,933	-0.3	0.1	5.2	14.2
Japan Nikkei 225	40,098	-0.0	2.4	19.8	28.7
Russia MOEX	3,301	0.1	1.4	6.5	3.0
Hong Kong Hang Seng	16,163	-2.6	-2.1	-5.2	8.5
South Korea KOSPI	2,649	-0.9	0.3	-0.2	18.1
China Shanghai Composite	3,048	0.3	1.1	2.4	14.0
Australia ASX 200	7,724	-0.1	0.3	1.8	19.5
India Sensex	73,677	-0.3	1.6	2.0	23.4
MSCI EM	1,022	-0.8	0.1	-0.2	15.4
MSCI World	3,337	-0.7	0.0	5.3	21.0

Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	84.82	-0.7	2.9	5.5
Brent Crude (\$/bbl)	82.04	-0.9	-1.9	6.5
Texas crude (\$/bbl)	78.15	-0.7	-0.1	9.1
Natural Gas (\$/mmbtu)	1.96	2.1	5.2	-15.1
Gold (\$/oz)	2,128.04	0.6	4.1	3.2
Silver (\$/oz)	23.67	-0.9	4.4	-0.5
Steel (\$/ton)	785.00	-0.5	-1.3	-30.8
Iron Ore (CNY/MT)	948.00	0.9	-1.7	-9.1
Wheat (\$/bu)	551.00	-2.3	-4.4	-13.8
Corn (\$/bu)	426.25	-0.9	-0.8	-11.9
Sugar (\$/lb)	20.87	1.3	-3.8	2.2
SMP* (EUR/MT)	2,500.00	-0.3	0.0	-3.0

*SMP: Skimmed Milk Powder

Interbank Rates

Region	Rate*	Daily Change(bps)	MTD (bps)	YTD (bps)
KSA (SAIBOR 1M)	5.85	-1.6	-3.4	-5.9
KSA (SAIBOR 3M)	6.21	-1.6	-1.6	-1.8
KSA (SAIBOR 6M)	6.09	0.3	1.2	1.5
KSA (SAIBOR 12M)	5.88	-3.3	-5.2	-11.2
USA (SOFR 3M)	5.32	-0.7	-1.0	-0.8
UAE (EIBOR 3M)	5.21	-3.5	-8.2	-12.2

Data Sources: Tadawul, Bloomberg, Reuters

Closes as of March 5, 2024



Technical observations	
Index	TASI
Ticker	SASEIDX Index
Last Close	12,470
Short-term view	Profit Booking
52 weeks high/low	12,669 – 9,931

Market data	
Exchange Market Cap. (SAR bn)	11,114.2
Value (SAR mn)	8,935.0
Volume (mn)	386.6
Number of Transactions	560,442
Market Breadth	158 : 64

Key statistics	
1D return %	0.29%
MTD return %	-1.27%
QTD return	4.20%
YTD return	4.20%
ADT vol. 3M* (mn)	334.7
ADT val. 3M (SARmn)	8,266.4

*ADT stands for Average Daily Traded

TASI market commentary

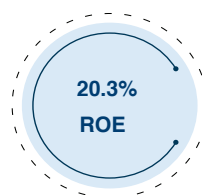
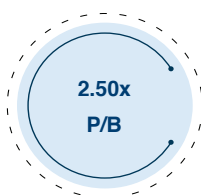
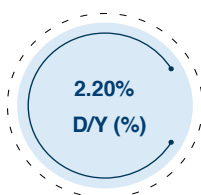
- TASI experienced a rise on Tuesday; primarily driven by the performance of the Energy sector (up 1.37%), the Materials sector (up 0.29%). At close, the Saudi market ended the day with a change of 0.29% at 12,470. In terms of activity, total volumes and value traded were ~387mn and ~SAR 8.9bn, respectively. The advance-decline ratio came in at 158/64.

Technical outlook

- TASI closed the last session near 12,470, marking a modest gain of 36 points. The profit booking sentiment temporarily paused after closing below the last minor trough and reaching its 20-day SMA of around 12,450. TASI formed a small green candlestick, which requires confirmation by a subsequent bullish candlestick pattern to indicate a possible further positive rebound. Importantly, as long as TASI maintained trading below its 5-day SMA of around 12,540, there would be a potential for further profit-booking action toward the 50-day SMA of around 12,325 – 12,225. Furthermore, the RSI indicator is still moving downward, heading toward a rising trendline near the level of 50. TASI has an immediate support level of around 12,325. If breached, the subsequent support level would be around 12,225. On the other hand, an immediate resistance level is observed near 12,540 followed by 12,670. If successfully surpassed, the subsequent resistance level to watch for would be around 12,920. Traders are advised to closely monitor the significant support zone near the prior peaks and the 50-day SMA around 12,325 - 12,225, waiting for a bullish reversal signal.

Key price levels

S3	S2	S1	Pivot	R1	R2	R3
12,115	12,225	12,325	12,435	12,540	12,670	12,920



Source: Bloomberg, Argam

TASI daily chart

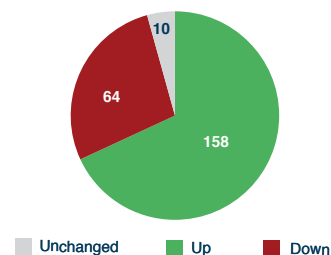


Source: Tradingview, Aljazira Capital

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 05th Mar 2024

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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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