

Major Economic News

- The Ministry of Environment, Water and Agriculture stated that the Kingdom produces and exports more than 300 types of dates, with production exceeding 1.5mn tons annually. The value of the Kingdom's dates exports amounted to SAR 1.2bn, which makes the dates sector one of the most important national exports. (Source: Argaam)
- King Salman bin Abdulaziz, directed to invest USD 1.0bn in Pakistan, as part of efforts to support Pakistan's economy. (Source: Argaam)

Major Corporate News

- Sabic SK Nexlene Co., a joint venture between Saudi Basic Industries Corp. and SK Geo Centric announced plans to boost production capacity of advanced polyolefin materials in its Ulsan-based plant. The operations are scheduled to commence in Q2-24. (Source: Argaam)
- Saudi Arabian Mining Co. signed four MoUs with the largest Indian fertilizer companies which will contribute to double Maaden's annual exports of phosphate and ammonia products to the Indian market starting from FY23. (Source: Argaam)

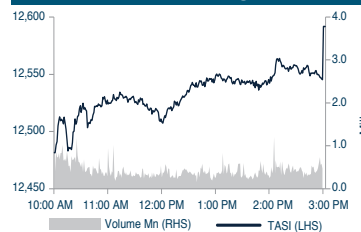
Market Analysis

- The Saudi Stock Exchange increased 1.2% to 12,591.7 on Thursday. The value traded stood at SAR 5.7bn (down 1.6% over previous day), while the advance-decline ratio stood at 166/34. The parallel market index remained flat to 21,631.3 points. The value traded stood at SAR 58.7mn (down 21.7% over previous day). Most sectors in the main market ended in the green. Media and Pharma & Bio Tech (up 6.0% and 5.1%, respectively) advanced the most; Food & Staples and Software & Services (down 0.7% and 0.1%, respectively) were the only laggards.

Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	12,592	12,592	12,474	1.2	11.6
NomuC	21,631	21,779	21,383	0.0	-16.7

TASI movement during session



TASI Ratios

P/E* (x)	20.3
Price-to-Book (x)	2.6
Dividend Yield (%)	2.1
Return on Equity (%)	27.2

*Source: Argaam (Excluding Aramco)

Index	Close	Daily Change%	YTD %	PE (TTM)
Energy	6,629	0.6	20.2	18.1
Materials	7,620	2.2	3.8	14.8
Capital Goods	6,554	1.8	-13.1	22.4
Commercial Service	3,914	2.1	-11.9	High
Transportation	5,021	1.3	-4.1	Neg
Consumer Durables	4,939	2.2	-22.2	Neg
Consumer Services	4,074	1.1	-12.2	High
Media	25,562	6.0	9.9	32.6
Retailing	8,804	0.8	-10.6	31.0
Food & Staples	10,254	-0.7	12.4	31.5
Food & Beverages	4,997	0.4	3.3	High
Healthcare	9,382	0.4	28.3	46
Pharma & Bio Tech	3,799	5.1	-26.8	High
Banks	14,260	1.2	16.7	22.7
Diversified Financial	8,185	0.9	19.9	8.9
Insurance	5,494	0.6	-8.3	High
Telecom	7,283	0.9	0.1	19.8
Utilities	8,171	0.5	37.7	16
REITs	4,333	0.3	-6.1	High
Real Estate	3,141	1.3	-0.9	High
Software & Services	37,774	-0.1	31.8	38.5

Earnings update (Net Profit) (SAR mn)

Company	Q2-22	Q2-21	Y/Y %	Q1-22	Q/Q %
ALHOKAIR GROUP	-35.0	-70.0	-	-31.4	-
SAUDI CABLE	-44.5	-19.2	-	-37.2	-
BATIC	-12.7	3.4	-	0.8	-
NAQI	21.3	26.0	-18.0	9.9	114.0
JOUF CEMENT	-1.7	7.7	-	3.6	-
UCA	-20.7	-6.5	-	-19.9	-
EMAAR EC	-247.0	-178.0	-	-160.0	-
TAPRCO	-7.4	-11.5	-	-7.1	-
SARCO	21.0	7.1	194.3	-0.7	-
Sharqiyah Dev	-0.4	-2.4	-	-0.6	-

Top Gainers

Company	Price	Change%
GASCO	52.60	9.9
SPPC	21.36	9.3
BAAZEEM	82.50	7.0
SRMG	218.60	6.6
SPIMACO	28.80	5.1

Top Losers

Company	Price	Change%
RED SEA	35.60	-9.3
RAYDAN	13.30	-4.3
SALAMA	23.62	-2.1
EQUIPMENT HOUSE	69.20	-2.0
NAHDI	195.80	-1.8

Average Index Value

Average days 5	Average days 10	Average days 20	Average value traded for the month (bn)
12,514	12,544	12,434	6.88

Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	-	-	-
Previous week	29.1	713.5	1,707.00

Top Weighted Companies

Company	Price	Change%
Saudi Aramco	39.35	0.5
Al Rajhi	92.00	1.5
SNB	71.40	0.8
SABIC	103.80	2.0
STC	104.60	0.8



Regional and International Markets

- Among other regional markets, Dubai closed flat, while Abu Dhabi increased 0.6%. Egypt, Qatar, and Kuwait increased 1.8%, 0.7% and 0.2%, respectively, while Oman declined 0.3%. Meanwhile, Bahrain remained flat.
- According to Baker Hughes, North America's rig count decreased to 966 in the week ended August 26, from 963 in week earlier. The rig count increased to 765 in the US from 762 earlier, while remained unchanged in the Gulf of Mexico to 16. The rig count in Canada remained unchanged to 201. (Source: Baker Hughes)
- US GDP shrank at a 0.6% annualized rate in Q2-22 (consensus: contraction of 0.9%) versus a contraction of 1.6% rate in Q1-22. (Source: RTT news)
- US initial jobless claims edged down to 243,000 (consensus: 253,000) in the week ended August 20, representing a decline of 2,000 from the previous week's revised level of 245,000. (Source: Investing.com).
- Oil prices rose 1.7%, boosted by indication from Saudi Arabia that OPEC could cut oil output on potential return of Iranian output to the oil market.
- Gold prices fell by 1.2%, as US dollar and US Treasury yields firmed while US Federal Reserve signalled tight monetary policy.

Forex / Currency

Currency	Close	Daily Change%	MTD %	YTD %
Dollar Index	108.80	0.3	2.7	13.7
Euro	1.00	-0.1	-2.5	-12.3
Japanese Yen	137.64	0.8	3.3	19.6
Sterling Pound	1.17	-0.7	-3.5	-13.2
Chinese Yuan	6.89	0.6	2.1	8.5
Indian Rupee	79.87	0.0	0.8	7.4
UAE Dirham	3.67	0.0	0.0	0.0
Qatari Rial	3.69	0.0	0.1	0.3
Kuwaiti Dinar	0.31	0.0	0.4	1.7
Omani Rial	0.39	0.1	0.0	0.0
Bahraini Dinar	0.38	0.0	0.0	0.0
Egyptian Pound	19.19	-0.1	1.4	22.1

Corporate Calendar

Date	Company	Event
28 th Aug	CMCER	EGM
28 th Aug	Ladun	EGM
29 th Aug	Jouf Cement	EGM
29 th Aug	SULAIMAN ALHABIB	Cash Dividend Distribution
30 th Aug	EPCCO	Cash Dividend Distribution
1 st Sep	Budget Saudi	Cash Dividend Distribution

*EGM: Extra Ordinary Meeting

*OGM: Ordinary General Meeting

Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	3,463	0.0	3.7	8.4	10.6
Abu Dhabi (ADX)	10,079	0.6	4.3	18.7	20.2
Kuwait (KSE)	5,863	0.2	-0.2	-0.4	9.3
Qatar (QE)	13,746	0.7	2.8	18.2	15.4
Oman (MSM)	4,538	-0.3	0.1	9.9	12.4
Bahrain (BSE)	1,901	0.0	-0.2	5.8	7.1
Egypt (EGX30)	10,287	1.8	8.7	-13.9	5.4

International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	32,283	-3.0	-1.7	-11.2	17.8
Nasdaq	12,605	-4.1	-2.6	-22.8	25.8
S&P 500	4,058	-3.4	-1.8	-14.9	19.8
FTSE 100	7,427	-0.7	0.1	0.6	14.4
Germany DAX 30	12,971	-2.3	-3.8	-18.3	12.5
France CAC 40	6,274	-1.7	-2.7	-12.3	13.1
Japan Nikkei 225	28,641	0.6	3.0	-0.5	28.9
Russia MOEX	2,269	1.0	2.5	-40.1	3.7
Hong Kong Hang Seng	20,170	1.0	0.1	-13.8	7.7
South Korea KOSPI	2,481	0.2	1.2	-16.7	10.5
China Shanghai Composite	3,236	-0.3	-0.5	-11.1	14.1
Australia ASX 200	7,104	0.8	2.3	-4.6	14.3
India Sensex	58,834	0.1	2.2	1.0	22.7
MSCI EM	1,007	0.3	1.3	-18.3	11.2
MSCI World	2,695	-2.7	-1.9	-16.6	17.3

Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	109.15	-0.5	-2.4	37.9
Brent Crude (\$/bbl)	100.99	1.7	-8.2	27.3
Texas crude (\$/bbl)	93.06	0.6	-5.6	20.9
Natural Gas (\$/mmbtu)	9.30	-0.8	13.0	161.7
Gold (\$/oz)	1,738.14	-1.2	-1.6	-4.2
Silver (\$/oz)	18.90	-1.8	-7.2	-18.0
Steel (\$/ton)	794.00	0.1	-7.1	-44.4
Iron Ore (CNY/MT)	793.00	1.3	-4.7	15.6
Wheat (\$/bu)	805.25	2.1	-2.5	3.4
Corn (\$/bu)	664.25	2.2	7.1	21.7
Sugar (\$/lb)	18.47	3.2	5.3	1.4
SMP* (EUR/MT)	3,725.00	0.7	0.7	10.7

*SMP: Skimmed Milk Powder

Interbank Rates

Region	Rate*	Daily Change(bps)	MTD (bps)	YTD (bps)
USD LIBOR	3.07	0.0	0.3	2.9
Saudi Arabia (SAIBOR)	3.05	0.0	0.0	2.1
UAE (EIBOR)	2.81	0.0	0.1	2.4
Kuwait (KSE)	2.63	0.0	0.3	1.1
Bahrain (BHIBOR)	4.13	0.0	0.0	2.6

Data Sources: Tadawul, Bloomberg, Reuters

* Three-month Interbank rate **NA: Not Available

Updated as of August 26 2022

Technical observations

Index	TASI
Ticker	SASEIDX Index
Last Close	12,592
Short-term view	Cautious Buy
52 weeks high/low	13,949 – 10,600

Market data

Market Cap. (SARbn)	11,890.9
Value (SARmn)	5,689.7
Volume (mn)	135.3
Number of Transactions	318,636
Market Breadth	166 : 34

Key statistics

1D return %	1.19%
WTD return %	-0.24%
QTD return	-3.81%
YTD return	11.61%
ADT vol. 3M* (mn)	176.4
ADT val. 3M (SARmn)	6,668.3

ADT stands for Average Daily Traded *

TASI market commentary

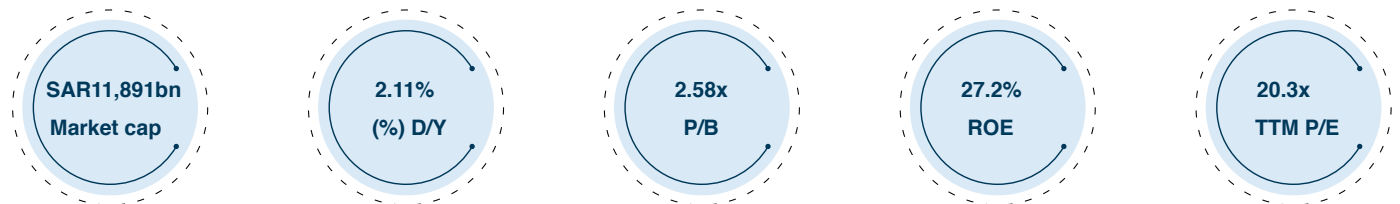
- The TASI index gained on Thursday due to buying in index heavyweights Materials (2.25% D/D) and Banks (1.17% D/D) stocks. At close, the Saudi market ended the day with gains of 1.19% at 12,592. In terms of activity, total volumes and value traded were ~135mn and ~SAR 5.7bn respectively. The advance-decline ratio came in at 166/34.

Technical outlook

- The TASI rose around 150 points to close the last trading session of the week near the 12,600 mark. The index opened gap up on Thursday and gained throughout the day, as bulls were in charge. Moreover, the index developed a bullish hammer candle on Wednesday and followed through with an immediate green candle confirming the positive reversal. Furthermore, the index also reclaimed both its 100-day moving average near 12,530 and 10-day moving average near 12,550 closing at its highest point of the day, indicating bullish signs. The index may continue its positive momentum and test its resistance near 12,720 above which it can also test 12,860, as bulls look to gain control. On the flip side, the index has immediate support near its 10-day moving average near 12,550, followed by its 100-day moving average near 12,530. However, due to global market volatility, the index may face some pressure and can remain volatile.

Key price levels

S3	S2	S1	Pivot	R1	R2	R3
12,334	12,490	12,527	12,544	12,718	12,859	12,954



Source: Bloomberg, Argaam

TASI daily chart

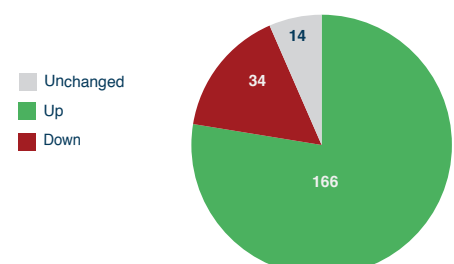


Source: Tradingview, Tadawul, AlJazira Capital

Our view



Market depth



28 August 2022

Daily Technical Outlook

الجزيرة كابيتال

ALJAZIRA CAPITAL الجزيرة للأسواق المالية



SAUDI MARKET - TOP PICKS FOR THE DAY

Ticker	Company	*Close	Buy range	Sell	Stop loss
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No stocks recommendations due to global market volatility

As of 28th August 2022



RESEARCH DIVISION

Head of Sell-Side Research
Jassim Al-Jubran
+966 11 2256248
j.aljabran@aljaziracapital.com.sa

RESEARCH
DIVISION

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RATING
TERMINOLOGY

1. **Overweight:** This rating implies that the stock is currently trading at a discount to its 12 months price target. Stocks rated "Overweight" will typically provide an upside potential of over 10% from the current price levels over next twelve months.
2. **Underweight:** This rating implies that the stock is currently trading at a premium to its 12 months price target. Stocks rated "Underweight" would typically decline by over 10% from the current price levels over next twelve months.
3. **Neutral:** The rating implies that the stock is trading in the proximate range of its 12 months price target. Stocks rated "Neutral" is expected to stagnate within +/- 10% range from the current price levels over next twelve months.
4. **Suspension of rating or rating on hold (SR/RH):** This basically implies suspension of a rating pending further analysis of a material change in the fundamentals of the company.

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