



Major Economic News

- Saudi Arabia's oil exports soared by 107.0% Y/Y to SAR 343.7bn in Q2-22. Oil exports in Q2-22 represented 80.0% of Kingdom's total exports worth SAR 430.0bn. On a sequential basis, oil exports rose 20.0% or by SAR 56.3bn. (Source: Argaam)
- Expatriate remittances in Saudi Arabia witnessed 7.0% Y/Y decline to SAR 11.6bn in July. On monthly basis, expat remittances in Saudi Arabia fell by 12.0% or SAR 1.6bn. (Source: Argaam)

Major Corporate News

- Abdullah Al Othaim Markets Co. opened nine new stores in Q2-22, taking the branch network to 288 across Saudi Arabia, while the number of stores in Egypt remained at 44. Total stores reached 320 by end of Q2-22, comprising an area of 545,000 sq.m. in Saudi Arabia and Egypt (Source: Argaam)
- Sahara International Petrochemical Co. announced that a fire broke out on August 29, in a factory of its Hail-based subsidiary, Saudi Specialized Products Co., during the trial run period. Investigation will be conducted to assess the damage. (Source: Argaam)
- Saudi Pharmaceutical Industries and Medical Appliances Corp. signed credit facility agreements with Gulf International Bank, Bank Albilad and Banque Saudi Fransi, for a total value of SAR 1.3bn. (Source: Argaam)
- Scientific and Medical Equipment House Co. was awarded a contract worth SAR 118.0mn by the Ministry of Education to carry out the operation, maintenance, and cleaning services at Najran University's educational health services center. (Source: Argaam)

Market Analysis

- The Saudi Stock Exchange closed flat at 12,530.7. The value traded stood at SAR 6.9bn (up 19.8% over previous day), while the advance-decline ratio stood at 145/57. The parallel market index decreased 1.2% to 21,510.3 points. The value traded stood at SAR 44.7mn (up 12.8% over previous day). Most sectors in the main market ended in the green. Capital Goods and Software & Services (up 2.4% and 1.9%, respectively) advanced the most; Telecom and Energy (down 1.0% and 0.6%, respectively) led the laggards.

Top Gainers

Company	Price	Change%
GASCO	61.90	7.1
TECO	218.00	6.7
ALINMA TOKIO M	25.20	6.4
BATIC	27.80	4.7
ASTRA INDUSTRIAL	52.30	4.6

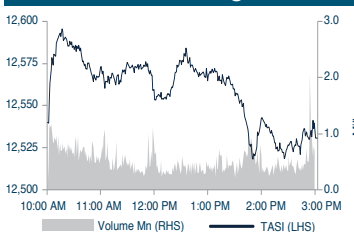
Top Losers

Company	Price	Change%
ALHOKAIR GROUP	11.94	-2.8
GULF GENERAL	8.96	-2.0
ETIHAD ETISALAT	38.05	-1.9
ATHEEB TELECOM	46.30	-1.9
ALBILAD	53.00	-1.9

Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	12,531	12,598	12,517	0.0	11.1
NomuC	21,510	21,768	21,404	-1.2	-17.2

TASI movement during session



TASI Ratios

P/E* (x)	20.4
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	6,486	-0.6	17.6	17.7
Materials	7,708	0.1	5.0	15
Capital Goods	6,837	2.4	-9.4	23.3
Commercial Service	3,898	0.6	-12.3	High
Transportation	5,073	0.6	-3.1	Neg
Consumer Durables	4,993	1.4	-21.4	Neg
Consumer Services	4,166	1.3	-10.2	High
Media	25,226	0.3	8.5	32.3
Retailing	8,779	-0.4	-10.8	30.9
Food & Staples	10,295	0.8	12.9	31.5
Food & Beverages	4,993	0.6	3.3	High
Healthcare	9,371	0.2	28.1	45.8
Pharma & Bio Tech	3,780	0.7	-27.2	High
Banks	14,108	0.0	15.4	22.4
Diversified Financial	8,183	0.3	19.8	8.9
Insurance	5,555	0.4	-7.3	High
Telecom	7,256	-1.0	-0.3	19.8
Utilities	8,175	0.3	37.8	15.9
REITs	4,357	0.5	-5.5	High
Real Estate	3,172	0.9	0.0	High
Software & Services	38,246	1.9	33.5	39

Average Index Value

Average days 5	Average days 10	Average days 20	Average value traded for the month (bn)
12,503	12,544	12,460	6.83

Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	12.7	299.7	707.7
Previous week	29.1	713.5	1,707.00

Top Weighted Companies

Company	Price	Change%
Saudi Aramco	38.45	-0.6
Al Rajhi	91.10	0.4
SNB	70.50	0.0
SABIC	102.40	-0.8
STC	105.00	-0.8



Regional and International Markets

- Among other regional markets, Dubai and Abu Dhabi decreased 0.8% and 1.1%, respectively. Bahrain and Kuwait increased 0.6% and 0.2%, respectively, while Egypt, Qatar and Oman declined 0.5%, 0.4%, and 0.2%, respectively.
- China's industrial output growth slowed to 3.8% Y/Y in July versus 3.9% Y/Y in June. China's industrial firms' profits fell 1.1% Y/Y in January-July 2022. (Source: Reuters)
- Japan's leading index fell to 100.9 in June (consensus: 100.6) from 101.2 in May. The coincident index that measures the current economic situation climbed to 98.6 in June (consensus: 99.0) versus 94.9 in May, while the lagging index improved 97.6 in June from 95.8 in May. (Source: Econoday)
- Japan's unemployment rate remained constant at 2.6% in July (consensus: 2.6%) from June. (Source: Econoday)
- Oil prices settled lower on Monday after disappointing Chinese economic data renewed concerns of a global recession that would be expected to reduce fuel demand. Brent crude futures settled down \$3.05, or 3.1%, to \$95.10 a barrel after dropping 1.5% on Friday. (Source: Reuters)
- Gold prices declined 0.1%, as US dollar strengthened on the US Federal Reserve's indication that interest rates will stay elevated for longer.

Forex / Currency

Currency	Close	Daily Change%	MTD %	YTD %
Dollar Index	108.84	0.0	2.8	13.8
Euro	1.00	0.3	-2.2	-12.1
Japanese Yen	138.72	0.8	4.1	20.5
Sterling Pound	1.17	-0.3	-3.8	-13.5
Chinese Yuan	6.92	0.3	2.5	8.8
Indian Rupee	79.97	0.1	0.9	7.6
UAE Dirham	3.67	0.0	0.0	0.0
Qatari Rial	3.69	0.0	0.1	0.3
Kuwaiti Dinar	0.31	0.1	0.5	1.9
Omani Rial	0.39	0.0	0.0	0.0
Bahraini Dinar	0.38	0.0	0.0	0.0
Egyptian Pound	19.22	0.1	1.5	22.3

Corporate Calendar

Date	Company	Event
30 th Aug	EPCCO	Cash Dividend Distribution
01 st Sep	Budget Saudi	Cash Dividend Distribution
04 th Sep	Baazeem	Cash Dividend Distribution
05 th Sep	Amwaj International	EGM
06 th Sep	Bawan	Cash Dividend Distribution
07 th Sep	Saudi Aramco	Cash Dividend Distribution

*EGM: Extra Ordinary Meeting

*OGM: Ordinary General Meeting

Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	3,436	-0.8	3.0	7.5	10.6
Abu Dhabi (ADX)	9,964	-1.1	3.1	17.4	20.9
Kuwait (KSE)	5,846	0.2	-0.5	-0.7	9.3
Qatar (QE)	13,627	-0.4	1.9	17.2	15.3
Oman (MSM)	4,590	-0.2	1.3	11.1	12.5
Bahrain (BSE)	1,915	0.6	0.5	6.5	7.1
Egypt (EGX30)	10,122	-0.5	6.9	-15.3	5.3

International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	32,099	-0.6	-2.3	-11.7	17.7
Nasdaq	12,484	-1.0	-3.6	-23.5	25.7
S&P 500	4,031	-0.7	-2.4	-15.4	19.7
FTSE 100	7,427	0.0	0.1	0.6	14.4
Germany DAX 30	12,893	-0.6	-4.4	-18.8	12.4
France CAC 40	6,222	-0.8	-3.5	-13.0	13.0
Japan Nikkei 225	27,879	-2.7	0.3	-3.2	28.5
Russia MOEX	2,296	1.2	3.7	-39.4	3.7
Hong Kong Hang Seng	20,023	-0.7	-0.7	-14.4	7.5
South Korea KOSPI	2,427	-2.2	-1.0	-18.5	10.3
China Shanghai Composite	3,241	0.1	-0.4	-11.0	14.0
Australia ASX 200	6,965	-2.0	0.3	-6.4	14.5
India Sensex	57,973	-1.5	0.7	-0.5	22.6
MSCI EM	992	-1.5	-0.2	-19.5	11.0
MSCI World	2,669	-1.0	-2.8	-17.4	17.2

Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	109.46	0.3	-2.2	38.3
Brent Crude (\$/bbl)	105.09	4.1	-4.5	32.5
Texas crude (\$/bbl)	97.01	4.2	-1.6	26.0
Natural Gas (\$/mmbtu)	9.34	0.4	13.5	162.8
Gold (\$/oz)	1,737.09	-0.1	-1.6	-4.3
Silver (\$/oz)	18.76	-0.7	-7.8	-18.6
Steel (\$/ton)	792.00	-0.3	-7.4	-44.5
Iron Ore (CNY/MT)	792.50	-0.1	-4.8	15.5
Wheat (\$/bu)	842.75	4.7	2.1	8.2
Corn (\$/bu)	683.00	2.8	10.2	25.1
Sugar (\$/lb)	18.44	-0.2	5.1	1.2
SMP* (EUR/MT)	3,725.00	0.0	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)	3.08	0.0	0.0	2.2
UAE (EIBOR)	2.89	0.1	0.2	2.5
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 29 2022



Technical observations

Index	TASI
Ticker	SASEIDX Index
Last Close	12,531
Short-term view	Cautious Buy
52 weeks high/low	13,949 – 10,600

Market data

Market Cap. (SARbn)	11,692.5
Value (SARmn)	6,947.6
Volume (mn)	161.9
Number of Transactions	383,016
Market Breadth	145 : 57

Key statistics

1D return %	0.04%
WTD return %	-0.49%
QTD return	-4.28%
YTD return	11.07%
ADT vol. 3M* (mn)	175.6
ADT val. 3M (SARmn)	6,620.7

ADT stands for Average Daily Traded *

TASI market commentary

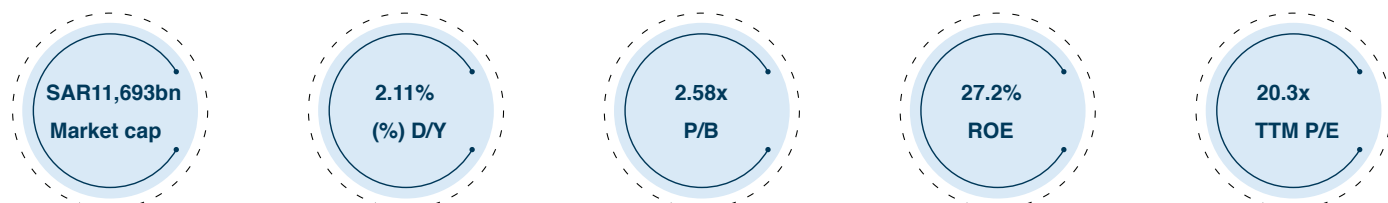
- The TASI index closed almost on a flat note on Monday among the increase of most sectors but was pressured by top heavyweights like Telecommunication Services (-0.98 % D/D) and Energy (-0.59 % D/D) stocks. At close, the Saudi market ended the day with marginal gains of 0.04% at 12,531. In terms of activity, total volumes and value traded were ~162mn and ~SAR 7.0bn respectively. The advance-decline ratio came in at 145/57.

Technical outlook

- The TASI closed the trading session on a flat note. The index momentarily moved above its 10-day moving average near 12,545 and hit an intraday high near 12,600, but could not cling on to it, and later slid lower surrendering most of its gains on the back of profit-booking. Meanwhile, the index developed a shooting star candle on the daily chart, showing signs of a possible reversal. However, an immediate red candle follow-through is required for confirmation. Meanwhile, the index managed to once again close above its 100-day moving average near 12,520 and 20-day moving average near 12,460. The index has key supports near its 100-day moving average at 12,520, followed by its 20-day moving average near 12,460 for the short-term. On the flip side, the index has stiff resistance near its 10-day moving average at 12,545, above which it can rally further to test the 12,620 level.

Key price levels

S3	S2	S1	Pivot	R1	R2	R3
12,188	12,334	12,460	12,516	12,545	12,617	12,716



Source: Bloomberg, Argaam

TASI daily chart

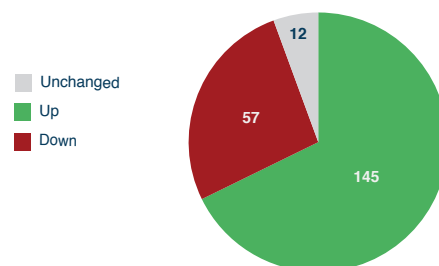


Source: Tradingview, Tadawul, Aljazeera Capital

Our view



Market depth



SAUDI MARKET - TOP PICKS FOR THE DAY

Code	Company	*Close	Buy range	Target	Stop loss
4001	Abdullah Al Othaim Markets Co.	126.60	126.40-126.60	127.80	125.60
2090	National Gypsum Co.	31.00	30.85-31.00	31.30	30.75
4071	Arabian Contracting Services Co.	112.00	111.80-112.00	113.10	111.10
4291	National Co. for Learning and Education	61.20	61.00-61.20	61.80	60.65
1302	Bawan Co.	40.10	40.00-40.10	40.50	39.75

*As of 29th August 2022 *Note – Stop loss is based on a intraday basis

CHARTS OF THE DAY

Technical observations

OTHAIM MARKETS penetrated above its descending trendline resistance. Moreover, all technical indicators support the bullish view.

Abdullah Al Othaim Markets Co. (A. OTHAIM MARKETS)



Source: Tradingview, AlJazira Capital

Technical observations

NGC penetrated above its channel trendline resistance. Moreover, all technical indicators have generated a buy signal.

National Gypsum Co. (NGC)



Source: Tradingview, AlJazira Capital



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