

Major Economic News

- Saudi banks' aggregate assets reached SAR 3.5tn in June, outperforming UAE peers' assets of AED 3.4tn for the first time since FY07. (Source: Argaam)
- Saudi Ministry of Tourism announced new guidelines to provide GCC residents with the choice to apply for an e-visa online and allow residents of the UK, US, and the European Union to apply for a visa on arrival. (Source: Argaam)
- Residential real estate finance provided for individuals by banks in Saudi Arabia declined by 23.0% Y/Y to SAR 7.2bn in July. (Source: Argaam)

Major Corporate News

- Middle East Healthcare Co. announced the opening of its new Saudi German Hospital in Makkah, with a total capacity of 300 beds. The hospital includes 100 outpatient clinics, a modern intensive care unit, a dialysis unit with 30 rooms, in addition to operating rooms equipped with the latest equipment and advanced technologies. (Source: Argaam)
- SABIC, BASF and Linde started construction of world's first demonstration plant for large-scale electrically heated steam cracker furnaces. The development of this full-scale commercial plant aims at reducing carbon dioxide emissions. (Source: Argaam)
- Taiba Investments Co. awarded the contract for the execution of Sheraton Taiba Hotel project in Madinah to Saudi Arabian Construction Co. for SAR 430.7mn. (Source: Argaam)
- The Saudi Real Estate Refinance Co., a wholly owned subsidiary of the Public Investment Fund, entered into a cooperation agreement with Alinma Bank to acquire a real estate financing portfolio. (Source: Argaam)

Market Analysis

- The Saudi Stock Exchange decreased 1.1% to 12,142.7 on Thursday. The value traded stood at SAR 6.9bn (down 17.2% over previous day), while the advance-decline ratio stood at 55/151. The parallel market index decreased 1.4% to 21,326.8 points. The value traded stood at SAR 23.5mn (down 37.9% over previous day). Most sectors in the main market ended in the red. Diversified Financials and Software & Services (up 2.0% and 1.4%, respectively) advanced the most; Telecom and Consumer Durables (down 2.0% and 1.9%, respectively) led the laggards.

Top Gainers

Company	Price	Change%
RETAL	136.00	7.9
ENAYA	20.30	6.3
TADAWUL GROUP	238.00	4.6
SIPCHEM	49.00	2.6
GACO	22.68	2.6

Top Losers

Company	Price	Change%
JOUF CEMENT	12.48	-6.3
ACC	37.65	-4.9
LAZURDE	15.80	-4.8
ANAAM HOLDING	23.46	-4.8
NCLE	55.90	-4.4

Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	12,143	12,284	12,116	-1.1	7.6
NomuC	21,327	21,638	21,327	-1.4	-17.9

TASI movement during session



TASI Ratios

P/E* (x)	19.7
Price-to-Book (x)	2.5
Dividend Yield (%)	2.2
Return on Equity (%)	27.2

*Source: Argaam (Excluding Aramco)

Index	Close	Daily Change%	YTD %	PE (TTM)
Energy	6,262	-1.1	13.5	14.4
Materials	7,405	-0.7	0.8	13.4
Capital Goods	6,630	-1.3	-12.1	22
Commercial Service	3,844	-0.4	-13.5	45.9
Transportation	5,000	-1.1	-4.5	High
Consumer Durables	4,886	-1.9	-23.1	Neg
Consumer Services	4,000	-1.9	-13.8	High
Media	24,962	0.7	7.3	28.3
Retailing	8,448	-0.9	-14.2	23.6
Food & Staples	10,168	-1.1	11.5	28.8
Food & Beverages	4,884	-1.7	1.0	45.1
Healthcare	9,138	-0.8	24.9	42.5
Pharma & Bio Tech	3,661	-0.9	-29.5	Neg
Banks	13,638	-1.5	11.6	20.1
Diversified Financial	8,463	2.0	23.9	9.1
Insurance	5,483	-1.0	-8.5	Neg
Telecom	7,009	-2.0	-3.7	18.6
Utilities	8,015	-1.1	35.1	15.9
REITs	4,317	-0.1	-6.4	23.8
Real Estate	3,115	0.4	-1.8	High
Software & Services	39,784	1.4	38.8	38.4

Average Index Value

Average days 5	Average days 10	Average days 20	Average value traded for the month (bn)
12,388	12,451	12,459	6.88

Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	-	-	-
Previous week	34.9	799.6	1,881.80

Top Weighted Companies

Company	Price	Change%
Saudi Aramco	37.10	-1.1
Al Rajhi	88.90	-1.4
SNB	68.40	-2.1
SABIC	99.00	-1.2
STC	40.50	-3.1



Regional and International Markets

- Among other regional markets, Dubai decreased 0.6%, while Abu Dhabi increased 0.4%. Oman and Bahrain rose 0.4% and 0.2%, respectively, while Qatar, Kuwait and Egypt declined 1.8%, 1.0% and 0.6%, respectively.
- According to Baker Hughes, North America's rig count increased to 968 in the week ended September 2, from 966 in week earlier. The rig count decreased to 760 in the US from 765 earlier and decreased to 14 in the Gulf of Mexico from 16 earlier. The rig count in Canada increased to 208 from 201 in the week earlier. (Source: Baker Hughes)
- US initial jobless claims declined to 232,000 (consensus: 248,000) in the week ended August 27, representing a decline of 5,000 from the previous week's revised level of 237,000. (Source: RTT news)
- US manufacturing PMI came in at 52.8 in August (consensus: 52.0) unchanged from reading in July. New orders index rose to 51.3 in August versus 48.0 in July, however, production index slid to 50.4 in August from 53.5 in July. (Source: RTT news)
- Oil prices rose 0.7% on potential discussion of output cuts in upcoming OPEC+ meeting.
- Gold prices increased 1.5%, as US dollar weakened after US jobs data came in line with the expectations.

Forex / Currency

Currency	Close	Daily Change%	MTD %	YTD %
Dollar Index	109.53	-0.1	3.4	14.5
Euro	1.00	0.1	-2.6	-12.5
Japanese Yen	140.20	0.0	5.2	21.8
Sterling Pound	1.15	-0.3	-5.4	-14.9
Chinese Yuan	6.92	0.0	2.5	8.8
Indian Rupee	79.56	0.0	0.4	7.0
UAE Dirham	3.67	0.0	0.0	0.0
Qatari Rial	3.68	0.0	-0.1	0.1
Kuwaiti Dinar	0.31	0.1	0.6	2.0
Omani Rial	0.39	0.0	0.0	0.0
Bahraini Dinar	0.38	0.0	0.0	0.0
Egyptian Pound	19.23	0.1	1.6	22.3

Corporate Calendar

Date	Company	Event
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
07 th Sep	ALOMRAN	EGM
08 th Sep	SISCO	Cash Dividend Distribution

*EGM: Extra Ordinary Meeting

*OGM: Ordinary General Meeting

Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	3,394	-0.6	-1.4	6.2	10.4
Abu Dhabi (ADX)	9,755	0.4	-1.2	14.9	19.5
Kuwait (KSE)	5,808	-1.0	-1.0	-1.3	9.2
Qatar (QE)	13,183	-1.8	-1.8	13.4	14.7
Oman (MSM)	4,605	0.4	0.4	11.5	12.5
Bahrain (BSE)	1,923	0.2	0.2	7.0	7.1
Egypt (EGX30)	9,937	-0.6	-0.6	-16.8	5.2

International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	31,318	-1.1	-4.6	-13.8	17.3
Nasdaq	12,098	-1.4	-6.6	-25.9	24.8
S&P 500	3,924	-1.1	-5.0	-17.7	19.2
FTSE 100	7,281	1.9	-1.9	-1.4	14.1
Germany DAX 30	13,050	3.3	-3.2	-17.8	12.6
France CAC 40	6,168	2.2	-4.4	-13.8	12.9
Japan Nikkei 225	27,651	0.0	-0.5	-4.0	27.9
Russia MOEX	2,471	1.0	11.6	-34.7	4.0
Hong Kong Hang Seng	19,452	-0.7	-3.5	-16.9	7.4
South Korea KOSPI	2,409	-0.3	-1.7	-19.1	10.2
China Shanghai Composite	3,186	0.0	-2.1	-12.5	13.9
Australia ASX 200	6,829	-0.2	-1.7	-8.3	14.3
India Sensex	58,767	0.0	2.1	0.9	22.7
MSCI EM	972	-0.4	-2.2	-21.1	10.9
MSCI World	2,605	-0.2	-5.1	-19.4	16.8

Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	103.30	0.9	-7.7	30.5
Brent Crude (\$/bbl)	93.02	0.7	-15.4	17.3
Texas crude (\$/bbl)	86.87	0.3	-11.9	12.8
Natural Gas (\$/mmbtu)	8.79	-5.1	7.0	145.2
Gold (\$/oz)	1,712.19	0.9	-3.0	-5.6
Silver (\$/oz)	18.04	1.3	-11.4	-21.7
Steel (\$/ton)	780.00	-0.1	-8.8	-45.3
Iron Ore (CNY/MT)	751.00	-2.5	-9.8	9.5
Wheat (\$/bu)	811.00	2.1	-1.8	4.1
Corn (\$/bu)	665.75	1.2	7.4	22.0
Sugar (\$/lb)	18.15	0.9	3.5	-0.4
SMP* (EUR/MT)	3,640.00	0.0	-1.6	8.2

*SMP: Skimmed Milk Powder

Interbank Rates

Region	Rate*	Daily Change(bps)	MTD (bps)	YTD (bps)
USD LIBOR	3.16	0.0	0.4	2.9
Saudi Arabia (SAIBOR)	3.14	0.0	0.1	2.2
UAE (EIBOR)	2.88	0.0	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

Closes as of September 2 2022

Technical observations

Index	TASI
Ticker	SASEIDX Index
Last Close	12,143
Short-term view	Cautious
52 weeks high/low	13,949 – 10,600

Market data

Market Cap. (SARbn)	11,302.2
Value (SARmn)	6,883.1
Volume (mn)	162.6
Number of Transactions	382,388
Market Breadth	55 : 151

Key statistics

1D return %	-1.15%
WTD return %	-3.57%
QTD return	-7.24%
YTD return	7.63%
ADT vol. 3M* (mn)	171.4
ADT val. 3M (SARmn)	6,432.1

ADT stands for Average Daily Traded *

TASI market commentary

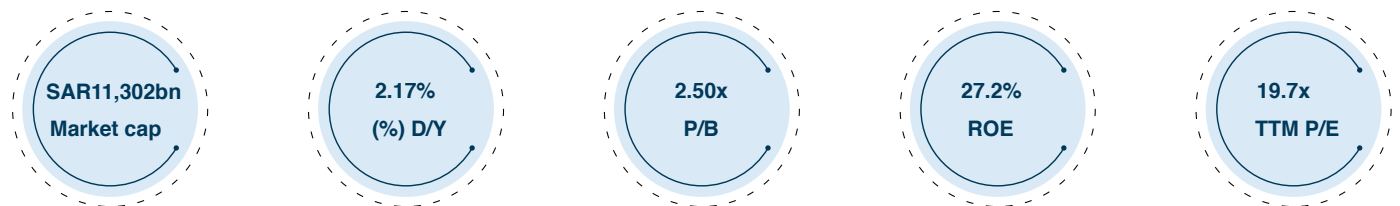
- The TASI fell on Thursday weighed down by selling in index heavyweights like Telecommunication Services (-1.98% D/D) and Banks (-1.54% D/D) stocks. At close, the Saudi market ended the day with a loss of -1.15% at 12,143. In terms of activity, total volumes and value traded were ~163mn and ~SAR 6.9bn respectively. The advance-decline ratio came in at 55/151.

Technical outlook

- The TASI continued its decline for the third consecutive day and fell more than 140 points to close the last trading session of the week below the 12,150 mark. The index opened gap down and drifted lower throughout the day on the back of profit-booking. Moreover, the index breached below its important key support near its 200-day moving average at 12,230, indicating the weakness is likely to continue. Furthermore, the RSI line is moving down below the 50 level, with no immediate reversal signs. Meanwhile, the index has immediate support near its (Fibonacci level of 38.2%) of 12,100, which if breached can drag the index further lower to test its 50-day moving average near the 12,000 level. On the flip side, the index has resistance near its 200-day moving average of 12,230, above which it can test 12,330.

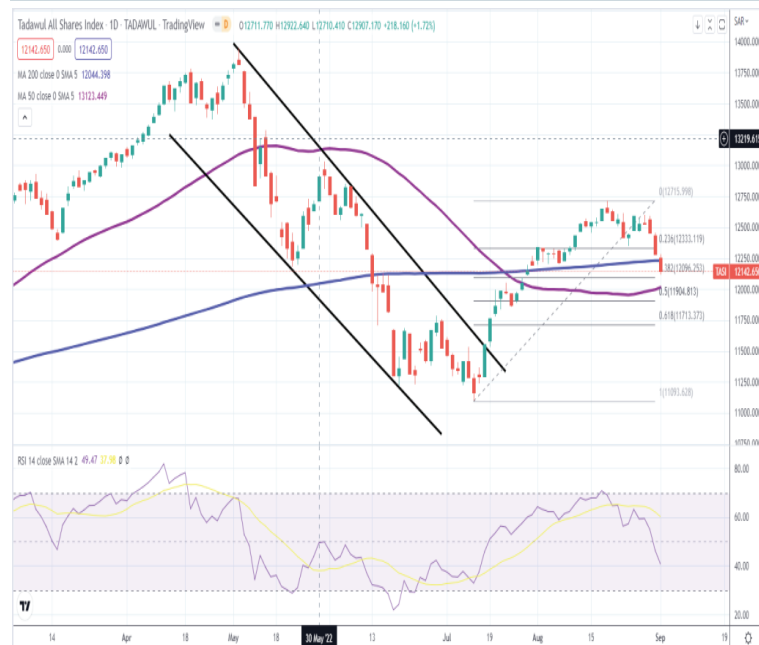
Key price levels

S3	S2	S1	Pivot	R1	R2	R3
11,904	12,010	12,096	12,231	12,334	12,361	12,451



Source: Bloomberg, Argaam

TASI daily chart

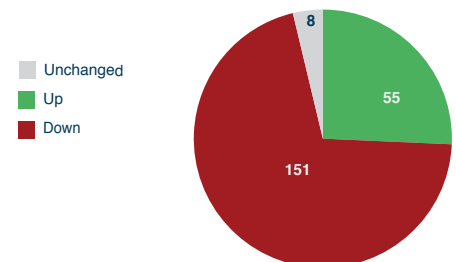


Source: Tradingview, Tadawul, AlJazira Capital

Our view



Market depth



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 4th September 2022



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RESEARCH
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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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