

Major Economic News

- Saudi Industrial Development Fund approved 930 loans worth SAR 75.4bn since the launch of Saudi Vision 2030 with total disbursements exceeding SAR 50.0bn. Small and medium enterprises accounted for 79.0% of the loans. (Source: Argaam)

Major Corporate News

- Abdullah Al Othaim Markets Co.'s shareholders will vote on the transactions including selling 13.7mn shares owned by Al Othaim Markets in Abdullah Al Othaim Investment Co. for SAR 846.5mn to Al Othaim Holding Co., during the ordinary general meeting that will be held on September 27. (Source: Argaam)
- United Electronics Co.'s application to increase its capital from SAR 600.0mn to SAR 800.0mn was approved by CMA. The capital will be raised by issuing 7 bonus shares for every 25 shares held by shareholders. The increase in capital will be paid by transferring SAR 140.0bn from the company's retained earnings and SAR 60.0mn from statutory reserve. (Source: Argaam)
- Saudi Arabian Mining Co. launched local content program, Tharwah, which focuses on maximizing the mining industry's contribution to Saudi Arabia's economy in line with Vision 2030. Maaden assessed spending SAR 55.0bn on goods and services by FY40 to support operations, which will generate an additional SAR 33.0bn in local content contribution and enable it to contribute SAR 88.0bn to Saudi Arabia's GDP. (Source: Argaam)
- BinDawood Holding Co.'s board of directors accepted the resignation submitted by Ahmad BinDawood from the post of Chief Executive Officer. (Source: Argaam)

Market Analysis

- The Saudi Stock Exchange decreased 0.8% to 12,099.8. The value traded stood at SAR 5.0bn (up 9.4% over previous day), while the advance-decline ratio stood at 57/144. The parallel market index decreased 1.7% to 21,274.0 points. The value traded stood at SAR 20.3mn (down 11.8% over previous day). Most sectors in the main market ended in the red. Insurance and Pharma & Bio Tech (up 2.6% and 1.1%, respectively) advanced the most; Utilities and Diversified Financials (down 3.3% and 3.2%, respectively) led the laggards.

Top Gainers

Company	Price	Change%
ALRAJHI TAKAFUL	108.60	9.9
NASEEJ	47.65	4.2
ETIHAD ETISALAT	38.30	3.5
TAWUNIYA	74.70	3.5
ALAHLI REIT 1	11.20	3.3

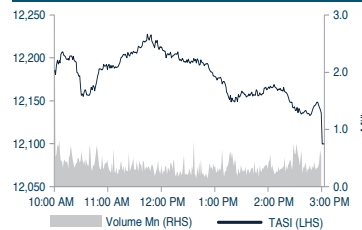
Top Losers

Company	Price	Change%
TADAWUL GROUP	230.00	-5.4
RIYAD REIT	11.46	-4.7
GASCO	58.40	-4.1
ACWA POWER	160.80	-4.1
MOUWASAT	241.60	-3.5

Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	12,100	12,228	12,100	-0.8	7.3
NomuC	21,274	21,542	21,264	-1.7	-18.1

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	6,324	-0.4	14.7	14.6
Materials	7,441	-0.2	1.3	13.5
Capital Goods	6,691	-0.7	-11.3	22.2
Commercial Service	3,777	-1.8	-15.0	45.1
Transportation	4,965	-0.5	-5.1	High
Consumer Durables	4,826	-0.1	-24.0	Neg
Consumer Services	3,979	-0.7	-14.2	High
Media	24,866	0.1	6.9	28.3
Retailing	8,453	-1.0	-14.2	23.6
Food & Staples	10,195	0.5	11.8	28.9
Food & Beverages	4,920	-0.2	1.7	45.4
Healthcare	9,172	-1.4	25.4	43
Pharma & Bio Tech	3,687	1.1	-29.0	Neg
Banks	13,507	-1.1	10.5	19.9
Diversified Financial	8,321	-3.2	21.9	9
Insurance	5,577	2.6	-6.9	Neg
Telecom	7,065	0.1	-2.9	18.6
Utilities	7,640	-3.3	28.8	15.3
REITs	4,286	-0.2	-7.1	23.6
Real Estate	3,095	-0.5	-2.4	High
Software & Services	38,826	-2.2	35.5	37.5

Average Index Value

Average days 5	Average days 10	Average days 20	Average value traded for the month (bn)
12,235	12,369	12,448	5.46

Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	9.5	227.7	579.9
Previous week	34.9	799.6	1,881.80

Top Weighted Companies

Company	Price	Change%
Saudi Aramco	37.50	-0.4
Al Rajhi	87.80	-0.8
SNB	67.20	-1.9
SABIC	100.00	0.0
STC	40.45	-1.1



Regional and International Markets

- Among other regional markets, Dubai and Abu Dhabi decreased 1.2% and 0.7%, respectively. Egypt, Oman, and Kuwait increased 1.8%, 0.8% and 0.2%, respectively, while Qatar and Bahrain declined 0.8% and 0.1%, respectively.
- US factory orders slumped by 1.0% M/M in July (consensus: fall by 0.2% M/M) after surging 1.8% M/M in June. Orders of non-durable goods fell 1.9% M/M in July after rising 1.4% M/M in June, while that of durable goods edged lower by 0.1% M/M in July after increasing 2.3% M/M in June. (Source: RTT news)
- UK services index came at 50.9 in August (consensus: 52.5) as compared to 52.6 in July. The composite index came at 49.6 in August (consensus: 50.9) versus 52.1 in July (Source: Econoday)
- Eurozone retail sales declined 0.9% Y/Y in July (consensus: fall by 0.7%) as compared to fall of 3.2% Y/Y in June. On M/M basis, retail sales increased 0.3% in July (consensus: 0.4% M/M) as compared to decline of 1.0% M/M in June. (Source: Econoday)
- Oil prices rose 2.9%, as OPEC+ nations agreed to cut production by 100,000 bpd to boost prices and as concerns rise on supply of gas from Russia to Europe.
- Gold prices edged lower by 0.1%, on account of stronger US dollar and rising uncertainty over aggressive US Federal Reserve monetary policy.

Forex / Currency

Currency	Close	Daily Change%	MTD %	YTD %
Dollar Index	109.53	0.0	0.8	14.5
Euro	0.99	-0.3	-1.2	-12.7
Japanese Yen	140.60	0.3	1.2	22.2
Sterling Pound	1.15	0.1	-0.9	-14.9
Chinese Yuan	6.94	0.4	0.5	9.2
Indian Rupee	79.85	0.1	0.5	7.4
UAE Dirham	3.67	0.0	0.0	0.0
Qatari Rial	3.68	0.1	0.0	0.3
Kuwaiti Dinar	0.31	0.0	0.1	2.0
Omani Rial	0.39	0.0	0.0	0.0
Bahraini Dinar	0.38	0.0	0.0	0.0
Egyptian Pound	19.21	-0.1	0.0	22.2

Corporate Calendar

Date	Company	Event
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
08 th Sep	Academy of Learning	Cash Dividend Distribution
12 th Sep	Saudi Re	EGM

*EGM: Extra Ordinary Meeting

*OGM: Ordinary General Meeting

Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	3,354	-1.2	-2.6	5.0	10.3
Abu Dhabi (ADX)	9,687	-0.7	-1.9	14.1	20.2
Kuwait (KSE)	5,790	0.2	-1.3	-1.6	9.2
Qatar (QE)	13,038	-0.8	-2.9	12.1	14.7
Oman (MSM)	4,620	0.8	0.8	11.9	12.5
Bahrain (BSE)	1,920	-0.1	0.1	6.8	7.1
Egypt (EGX30)	10,178	1.8	1.8	-14.8	5.2

International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	31,318	0.0	-0.6	-13.8	17.3
Nasdaq	12,098	0.0	-1.4	-25.9	24.8
S&P 500	3,924	0.0	-0.8	-17.7	19.2
FTSE 100	7,287	0.1	0.0	-1.3	14.1
Germany DAX 30	12,761	-2.2	-0.6	-19.7	12.3
France CAC 40	6,093	-1.2	-0.5	-14.8	12.7
Japan Nikkei 225	27,620	-0.1	-1.7	-4.1	27.9
Russia MOEX	2,488	0.7	3.7	-34.3	4.0
Hong Kong Hang Seng	19,226	-1.2	-3.7	-17.8	7.1
South Korea KOSPI	2,404	-0.2	-2.8	-19.3	10.2
China Shanghai Composite	3,200	0.4	-0.1	-12.1	14.1
Australia ASX 200	6,852	0.3	-1.9	-8.0	14.3
India Sensex	59,246	0.8	-0.5	1.7	22.8
MSCI EM	968	-0.4	-2.6	-21.4	10.8
MSCI World	2,597	-0.3	-1.2	-19.6	16.8

Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	105.28	1.9	0.1	33.0
Brent Crude (\$/bbl)	95.74	2.9	-0.8	20.7
Texas crude (\$/bbl)	86.87	0.0	-3.0	12.8
Natural Gas (\$/mmbtu)	8.79	0.0	-3.7	145.2
Gold (\$/oz)	1,710.40	-0.1	0.0	-5.7
Silver (\$/oz)	18.16	0.6	0.9	-21.2
Steel (\$/ton)	780.00	0.0	0.0	-45.3
Iron Ore (CNY/MT)	753.50	0.3	-1.9	9.8
Wheat (\$/bu)	811.00	0.0	-2.5	4.1
Corn (\$/bu)	665.75	0.0	-0.7	22.0
Sugar (\$/lb)	18.15	0.0	1.5	-0.4
SMP* (EUR/MT)	3,675.00	1.0	0.7	9.2

*SMP: Skimmed Milk Powder

Interbank Rates

Region	Rate*	Daily Change(bps)	MTD (bps)	YTD (bps)
USD LIBOR	3.16	0.0	0.1	2.9
Saudi Arabia (SAIBOR)	3.19	0.1	0.1	2.3
UAE (EIBOR)	3.01	0.1	0.1	2.6
Kuwait (KSE)	2.63	0.0	0.3	1.1
Bahrain (BHIBOR)	4.14	0.0	0.0	2.6

Data Sources: Tadawul, Bloomberg, Reuters

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

Closes as of September 5 2022

Technical observations

Index	TASI
Ticker	SASEIDX Index
Last Close	12,100
Short-term view	Cautious
52 weeks high/low	13,949 – 10,600

Market data

Market Cap. (SARbn)	11,376.1
Value (SARmn)	4,968.3
Volume (mn)	115.3
Number of Transactions	288,776
Market Breadth	57 : 144

Key statistics

1D return %	-0.77%
WTD return %	-0.35%
QTD return	-7.57%
YTD return	7.25%
ADT vol. 3M* (mn)	169.3
ADT val. 3M (SARmn)	6,370.3

ADT stands for Average Daily Traded *

TASI market commentary

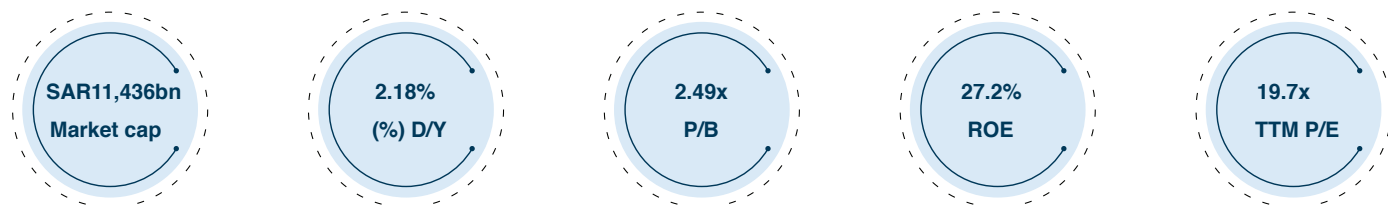
- The TASI fell on Monday weighed down by selling in index heavyweights like Banks (-1.15% D/D) and Energy (-0.43% D/D) stocks. At close, the Saudi market ended the day with a loss of -0.77% at 12,100. In terms of activity, total volumes and value traded were ~115mn and ~SAR 5.0bn respectively. The advance-decline ratio came in at 57/144.

Technical outlook

- The TASI declined around 95 points and closed the trading session near the 12,100 mark. The index after forming a bullish inside day candle on Sunday failed to make any further headway above the 200-day moving average near the 12,230 level and later slid lower on the back of profit-booking. Moreover, the RSI line is moving down and is now below the 40 level, showing signs of weakness. Meanwhile, the index has immediate strong support at its 50-day moving average near 12,040, below which it can witness further profit-booking and can drag the index down to test its Fibonacci 50% level near 11,900. On the flip side, the index has resistance near 12,180, followed by its 200-day moving average near the 12,230 level.

Key price levels

S3	S2	S1	Pivot	R1	R2	R3
11,906	12,039	12,097	12,182	12,234	12,335	12,410



Source: Bloomberg, Argaam

TASI daily chart

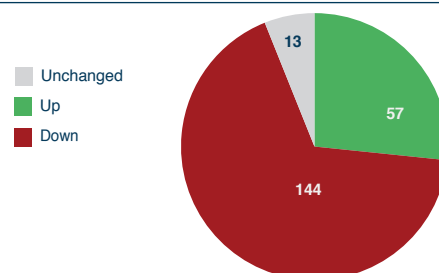


Source: Tradingview, Tadawul, AlJazira Capital

Our view



Market depth



SAUDI MARKET - TOP PICKS FOR THE WEEK

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

* As of 6th September 2022



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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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