



Major Economic News

- Saudi Arabia's international reserve assets rose by SAR 40.8bn M/M to SAR 1.8tn in September. On Y/Y basis, reserve assets expanded by 1.0% or by SAR 10.6bn. (Source: Argaam)
- Expatriate remittances in Saudi Arabia declined 13.0% Y/Y to SAR 11.9bn in August. On M/M basis, remittances from expats in Saudi Arabia rose 3.0% or SAR 323.0mn. Remittances by Saudi nationals to other countries increased 10.0% Y/Y to SAR 6.3bn in August. (Source: Argaam)
- The governor of the Northern Borders Region inaugurated 15 development projects on October 9, for the environment, water, and agriculture system in the region for total value of SAR 2.0bn. Source: Argaam)
- The Ministry of Health has to date offered up to 10% of projects for privatization. The Ministry aims to raise the private sector's contribution to the healthcare system from 25% to 35% by 2030, to support health transformation plans. (Source: Argaam)

Major Corporate News

- The Saudi Ports Authority (MAWANI) signed two contracts with major contractor PC Marine Services and Modern Building Leaders, the latter in consortium with HutaHegerfeld Saudia Ltd to build new berths at Jeddah Islamic Port worth SAR 640.0mn. (Source: Argaam)
- Al Sagr Insurance Co.'s shareholders are deemed to vote on reducing the company's capital by 65.0% from SAR 400.0mn to SAR 140.0mn on October 13, to write off 100% of accumulated losses. (Source: Argaam)

Earnings update (Net Profit) (SAR mn)

Company	Q3-22	Q3-21	Y/Y %	Q2-22	Q/Q %
Extra	94.2	89.0	5.8%	127.1	-25.9%

Market Analysis

- The Saudi Stock Exchange decreased 1.6% to 11,566.5 on Sunday. The value traded stood at SAR 3.8bn (down 22.0% over previous day), while the advance-decline ratio stood at 8/197. The parallel market index decreased 1.4% to 19,941.9 points. The value traded stood at SAR 24.4mn (down 23.6% over previous day). All sectors in the main market ended in the red. Food & Beverages and Capital Goods (down 3.6% and 3.4%, respectively) led the laggards.

Top Gainers

Company	Price	Change%
TANMIAH	113.40	4.0
YSCC	30.20	2.4
ALDREES	74.30	2.2
ZAIN KSA	12.08	1.5
ACC	36.50	1.4

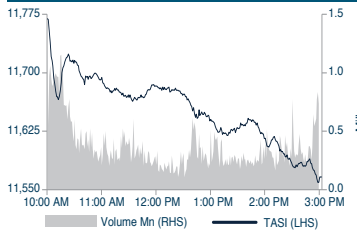
Top Losers

Company	Price	Change%
SALAMA	16.02	-7.9
THEEB	69.00	-6.8
UACC	20.06	-6.7
ASTRA INDUSTRIAL	53.60	-6.0
JAZADCO	13.10	-5.9

Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	11,566	11,769	11,555	-1.6	2.5
NomuC	19,942	20,234	19,910	-1.4	-23.2

TASI movement during session



TASI Ratios

P/E* (x)	18.9
Price-to-Book (x)	2.4
Dividend Yield (%)	2.3
Return on Equity (%)	27.2

*Source: Argaam (Excluding Aramco)

Index	Close	Daily Change%	YTD %	PE (TTM)
Energy	6,068	0.0	10.0	14
Materials	6,894	-2.0	-6.1	12.5
Capital Goods	6,321	-3.4	-16.2	21.4
Commercial Service	3,596	-1.7	-19.1	43
Transportation	4,703	-3.3	-10.1	High
Consumer Durables	4,860	-3.0	-23.5	Neg
Consumer Services	3,986	-2.8	-14.1	High
Media	23,405	-3.2	0.6	25.8
Retailing	8,380	-2.6	-14.9	23.2
Food & Staples	10,035	-2.1	10.0	28.3
Food & Beverages	4,739	-3.6	-2.0	44.3
Healthcare	9,474	-2.6	29.5	46.2
Pharma & Bio Tech	3,470	-1.9	-33.2	Neg
Banks	12,873	-1.6	5.3	19
Diversified Financial	7,488	-2.3	9.7	8.4
Insurance	5,470	-2.5	-8.7	Neg
Telecom	6,739	-0.8	-7.4	17.9
Utilities	7,708	-2.1	29.9	15.4
REITs	4,210	-1.2	-8.7	23.3
Real Estate	3,010	-2.9	-5.1	High
Software & Services	36,244	-1.8	26.5	34.7

Average Index Value

Average days 5	Average days 10	Average days 20	Average value traded for September (bn)
11,697	11,447	11,569	5.66

Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	3.8	115.5	272.40
Previous week	30.1	850.9	1,775.90

Top Weighted Companies

Company	Price	Change%
Al Rajhi	82.40	-2.1
Saudi Aramco	36.00	0.0
SNB	64.50	-0.5
SABIC	93.00	-1.8
STC	39.00	-0.8



Regional and International Markets

- Among other regional markets, Dubai and Abu Dhabi remained closed. Egypt and Qatar declined 0.7% and 0.3%, respectively. Meanwhile, Kuwait, Oman and Bahrain remained closed.
- US consumer sentiment index was downwardly revised to 58.6 in September as compared to final August reading of 58.2. The current economic conditions index rose to 59.7 in September from 58.6 in August, while the index of consumer expectations was unchanged at 58.0. (Source: RTT news)
- US wholesale inventories rose by 1.3% M/M in August (consensus: 1.1% M/M) after rising by 0.6% M/M in July. Inventories of durable and non-durable goods surged by 1.3% M/M and 1.2% M/M, respectively (Source: RTT news)
- UK Halifax house price index climbed 9.9% Y/Y in September slower than the 11.4% Y/Y increase in August. On a M/M basis, house prices edged down 0.1% in September reversing 0.3% increase in August. (Source: RTT news).
- The average of Japan household spending was up 5.1% Y/Y in August (consensus: 6.7% Y/Y) versus an increase of 3.4% Y/Y in July. On M/M basis, household spending fell 1.7% Y/Y in August (consensus: increase of 0.2% Y/Y) following a contraction of 1.4% Y/Y in July. (Source: RTT news).

Forex / Currency

Currency	Close	Daily Change%	MTD %	YTD %
Dollar Index	112.80	0.0	0.6	17.9
Euro	0.97	0.0	-0.6	-14.3
Japanese Yen	145.25	0.0	0.4	26.2
Sterling Pound	1.11	0.0	-0.8	-18.1
Chinese Yuan	7.13	0.0	-0.1	12.2
Indian Rupee	82.33	0.0	1.2	10.8
UAE Dirham	3.67	0.0	0.0	0.0
Qatari Rial	3.68	0.0	0.0	0.2
Kuwaiti Dinar	0.31	0.0	0.0	2.5
Omani Rial	0.39	0.0	0.0	0.0
Bahraini Dinar	0.38	0.0	0.0	0.1
Egyptian Pound	19.64	0.0	0.5	25.0

Corporate Calendar

Date	Company	Event
10 th Oct	ABO MOATI	Cash Dividend Distribution
12 th Oct	QACCO	Cash Dividend Distribution
12 th Oct	Retal	Cash Dividend Distribution
13 th Oct	ALSAGR INSURANCE	EGM
13 th Oct	MIS	Cash Dividend Distribution
13 th Oct	ELM	Cash Dividend Distribution

*EGM: Extra Ordinary Meeting

*OGM: Ordinary General Meeting

Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	3,373	0.0	1.7	5.5	10.4
Abu Dhabi (ADX)	9,905	0.0	0.9	16.7	20.2
Kuwait (KSE)	5,375	0.0	0.7	-8.7	8.5
Qatar (QE)	12,983	-0.3	2.3	11.7	14.4
Oman (MSM)	4,557	0.0	0.6	10.4	12.4
Bahrain (BSE)	1,883	0.0	0.1	4.8	7.1
Egypt (EGX30)	9,941	-0.7	1.2	-16.8	5.3

International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	29,297	0.0	2.0	-19.4	16.2
Nasdaq	11,039	0.0	0.6	-32.4	22.7
S&P 500	3,640	0.0	1.5	-23.6	17.8
FTSE 100	6,991	0.0	1.4	-5.3	13.6
Germany DAX 30	12,273	0.0	1.3	-22.7	12.0
France CAC 40	5,867	0.0	1.8	-18.0	12.4
Japan Nikkei 225	27,116	0.0	4.5	-5.8	27.3
Russia MOEX	1,945	0.0	-0.6	-48.7	3.2
Hong Kong Hang Seng	17,740	0.0	3.0	-24.2	6.5
South Korea KOSPI	2,233	0.0	3.6	-25.0	9.5
China Shanghai Composite	3,024	0.0	0.0	-16.9	13.2
Australia ASX 200	6,763	0.0	4.5	-9.2	13.7
India Sensex	58,191	0.0	1.3	-0.1	22.2
MSCI EM	898	0.0	2.5	-27.1	10.1
MSCI World	2,418	0.0	1.6	-25.2	15.6

Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	100.72	0.0	2.4	27.2
Brent Crude (\$/bbl)	97.92	0.0	11.3	23.4
Texas crude (\$/bbl)	92.64	0.0	16.5	20.3
Natural Gas (\$/mmbtu)	6.75	0.0	-0.3	82.8
Gold (\$/oz)	1,694.82	0.0	2.1	-6.6
Silver (\$/oz)	20.13	0.0	5.8	-12.6
Steel (\$/ton)	748.00	0.0	-3.6	-47.6
Iron Ore (CNY/MT)	762.00	0.0	0.0	11.1
Wheat (\$/bu)	880.25	0.0	-4.5	13.0
Corn (\$/bu)	683.25	0.0	0.8	25.2
Sugar (\$/lb)	18.68	0.0	5.7	2.3
SMP* (EUR/MT)	3,723.00	0.0	0.9	10.6

*SMP: Skimmed Milk Powder

Interbank Rates

Region	Rate*	Daily Change(bps)	MTD (bps)	YTD (bps)
USD LIBOR	3.91	0.0	15.4	370.0
Saudi Arabia (SAIBOR)	4.40	7.3	28.5	349.7
UAE (EIBOR)	3.49	0.0	-6.5	312.9
Kuwait (KSE)	3.19	0.0	25.0	168.8
Bahrain (BHIBOR)	5.00	0.0	0.0	348.3

Data Sources: Tadawul, Bloomberg, Reuters

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

Closes as of October 09, 2022

Technical observations

Index	TASI
Ticker	SASEIDX Index
Last Close	11,566
Short-term view	Cautious
52 weeks high/low	13,949 – 10,600

Market data

Exchange Market Cap. (SARbn)	10,920.0
Value (SARmn)	3,837.5
Volume (mn)	115.5
Number of Transactions	272,389
Market Breadth	8 : 197

Key statistics

1D return %	-1.63%
WTD return %	-1.63%
QTD return	1.41%
YTD return	2.52%
ADT vol. 3M* (mn)	160.4
ADT val. 3M (SARmn)	6,121.7

ADT stands for Average Daily Traded *

TASI market commentary

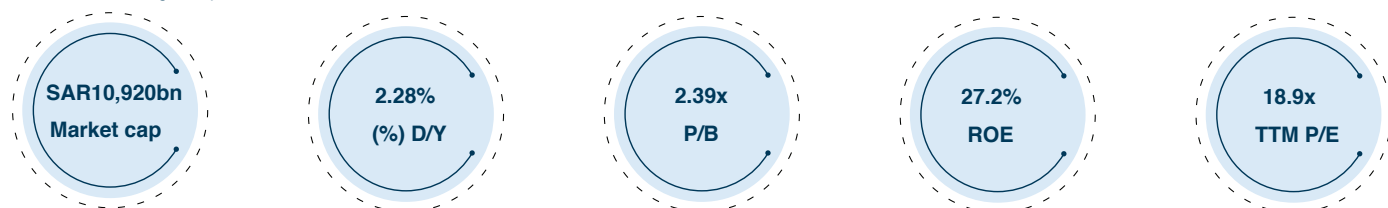
- The TASI fell on Sunday weighed down by selling in index heavyweights like Materials (-2.05% D/D) and Banks (-1.60% D/D) stocks, and also due to weakness in global markets over the weekend. At close, the Saudi market ended the day with a loss of -1.63% at 11,566. In terms of activity, total volumes and value traded were ~116mn and ~SAR 3.8bn respectively. The advance-decline ratio came in at 8/197.

Technical outlook

- The TASI declined more than 190 points to close the trading session near the 11,550 mark. The index after tagging an intraday high near 11,770, slid lower throughout the day, on the back profit booking. Moreover, the index developed an inside-day bearish candle on Thursday, followed by a bearish candle on the daily chart yesterday, confirming the reversal. Furthermore, the index also breached below its important supports near 11,660 and also closed below its 20-day moving average near 11,570, indicating weakness. Meanwhile, the RSI line is moving lower towards the negative territory, showing signs of further profit booking. The index has its next strong support near its 10-day moving average of 11,450, any sustained dip below it could drag the index further lower to test the 11,350 level. On the flip side, the index has strong resistance near the 11,660 level, above which it can move higher towards the 11,700 level.

Key price levels

S3	S2	S1	Pivot	R1	R2	R3
11,278	11,353	11,447	11,656	11,689	11,736	11,812



Source: Bloomberg, Argam

TASI daily chart



Source: Tradingview, Tadawul, AlJazira Capital

SAUDI MARKET - TOP PICKS FOR THE DAY

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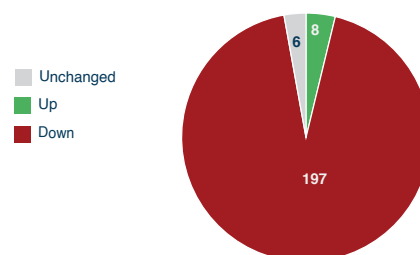
No stocks recommendations due to market volatility

* As of 10th October 2022

Our view



Market depth





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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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