

Major Economic News

- Assets held by SAMA contracted by SAR 8.0bn M/M to SAR 1,991.0bn in September 2022. On Y/Y basis, assets increased by SAR 100.0bn. SAMA's investments in foreign securities which represent 57.0% of its total assets, declined 2.2% Y/Y to around SAR 1,127.9bn in September. (Source: Argaam)
- Saudi-listed banks' aggregate net profit before zakat and tax fell by 1.5% Y/Y to SAR 5.8bn in September 2022 from SAR 5.9bn in September 2021. Banks' aggregate assets expanded by 13.0% Y/Y to SAR 3,565.2bn in September. (Source: Argaam)

Major Corporate News

- Al Rajhi Bank launched the first tranche of SAR-denominated Tier 1 sukuk for individual and institutional investors. The issuance amount was set at SAR 4.0bn and the definitive issuance amount will be determined after the completion of the offer period, based on the prevailing market conditions. (Source: Argaam)
- Kingdom Holding Co. announced rolling over its ownership in Twitter, a public-listed company, of 4.85mn shares worth SAR 986.0mn to privately held shares in the new Twitter-owning entity. (Source: Argaam)
- Wataniya Insurance Co.'s shareholder New Reinsurance will sell 2.0mn shares equivalent to 5% of Wataniya's capital to E.A. Juffali and Brothers at SAR 12 per share for a total value of SAR 24.0mn. (Source: Argaam)

Earnings update (Net Profit) (SAR mn)

Company	Q3-22	Q3-21	Y/Y %	Q2-22	Q/Q %
Savola Group	163.6	122.4	33.7	213.8	-23.5
FIPCO	2.3	-3.4	NM	0.9	150.0
BSFR	961.0	907.0	6.0	837.0	14.8
Halwani Bros. Co.	-23.0	14.0	NM	-1.8	NM

Market Analysis

- The Saudi Stock Exchange decreased 0.7% to 11,632.3 on Sunday. The value traded stood at SAR 3.8bn (down 45.7% over the previous day), while the advance-decline ratio stood at 97/104. The parallel market index decreased 1.2% to 19,606.8 points. The value traded stood at SAR 13.2mn (down 8.8% over the previous day). Most sectors in the main market ended in the red. Pharma & Bio Tech and Commercial Service (up 4.1% and 2.2%, respectively) advanced the most; Real Estate and Media (down 2.5% and 1.8%, respectively) led the laggards.

Top Gainers

Company	Price	Change%
ATHEEB TELECOM	47.65	9.9
FITNESS TIME	80.40	6.5
SALAMA	14.56	4.3
SPIMACO	26.75	4.1
EIC	27.00	3.7

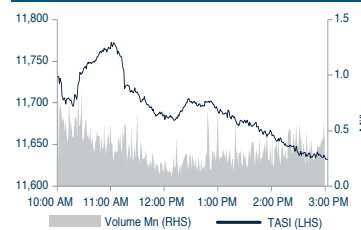
Top Losers

Company	Price	Change%
ALSAGR INSURANCE	18.56	-9.1
DAR ALARKAN	14.40	-8.3
GACO	22.00	-4.9
SNB	57.80	-3.3
ALRAJHI TAKAFUL	101.40	-3.1

Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	11,632	11,774	11,631	-0.7	3.1
NomuC	19,607	19,863	19,544	-1.2	-24.5

TASI movement during session



TASI Ratios

P/E* (x)	19.4
Price-to-Book (x)	2.4
Dividend Yield (%)	2.2
Return on Equity (%)	27

*Source: Argaam (Excluding Aramco)

Index	Close	Daily Change%	YTD %	PE (TTM)
Energy	5,867	0.2	6.4	13.5
Materials	6,951	0.0	-5.4	12.8
Capital Goods	6,370	-0.1	-15.6	21.6
Commercial Service	3,713	2.2	-16.4	44.4
Transportation	4,805	0.4	-8.2	High
Consumer Durables	4,957	-0.2	-21.9	Neg
Consumer Services	4,055	0.8	-12.6	High
Media	23,477	-1.8	1.0	25.9
Retailing	7,926	-0.3	-19.5	22
Food & Staples	9,967	0.5	9.3	28
Food & Beverages	4,928	1.6	1.9	44.5
Healthcare	9,799	-0.1	34.0	47.9
Pharma & Bio Tech	3,529	4.1	-32.0	Neg
Banks	12,976	-1.5	6.2	19
Diversified Financial	7,654	-1.6	12.1	8.4
Insurance	5,604	-1.2	-6.4	Neg
Telecom	7,031	0.1	-3.4	18.6
Utilities	8,231	-0.3	38.7	16.4
REITs	4,209	-0.3	-8.7	23.2
Real Estate	2,939	-2.5	-7.3	High
Software & Services	36,337	-0.5	26.8	34.6

Average Index Value

Average days 5	Average days 10	Average days 20	Average value traded for September (bn)
11,838	11,833	11,712	5.29

Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	3.8	104	246.20
Previous week	31.3	790.4	1,622.40

Top Weighted Companies

Company	Price	Change%
Al Rajhi	85.90	-1.3
Saudi Aramco	34.75	0.1
SNB	57.80	-3.3
SABIC	88.00	-2.0
STC	40.25	0.6



Regional and International Markets

- Among other regional markets, Dubai and Abu Dhabi remained closed. Kuwait and Egypt increased 0.8% and 0.3%, respectively, while Oman and Qatar declined 0.5% and 0.1%, respectively. Meanwhile, Bahrain remained flat.
- US consumer sentiment for October was upwardly revised to 59.9 (consensus: 58.6) as compared to 58.6 in September. (Source: RTT news)
- US pending home sales index dropped by 10.2% M/M to 79.5 in September (consensus: fall by 5% M/M) after falling by 1.9% M/M to 88.5 in August. On an annual basis, pending home sales declined 31.0%. (Source: RTT news)
- The European Central Bank raised main refinancing rate by 75 bps to 2.0%. The deposit facility rate was hiked to 1.50% from 0.75%. The marginal lending facility rate was raised to 2.25% from 1.50%. (Source: RTT news)
- China's manufacturing PMI fell to 49.2 in October (consensus: 50.0) down from 50.1 in September. Services index fell to 48.7 in October from 50.6 in September while the composite index dropped to 49.0 from 50.9. (Source: RTT news)
- Japan's industrial output increased 9.8% Y/Y in September (consensus: rise by 7.0% Y/Y) up from 5.8% Y/Y in August. (Source: RTT news)

Forex / Currency

Currency	Close	Daily Change%	MTD %	YTD %
Dollar Index	110.75	0.0	-1.2	15.8
Euro	1.00	0.0	1.7	-12.4
Japanese Yen	147.60	0.0	2.0	28.3
Sterling Pound	1.16	0.0	4.0	-14.2
Chinese Yuan	7.27	0.0	1.8	14.3
Indian Rupee	82.48	0.0	1.4	10.9
UAE Dirham	3.67	0.0	0.0	0.0
Qatari Rial	3.69	0.0	0.0	0.3
Kuwaiti Dinar	0.31	0.0	-0.1	2.4
Omani Rial	0.39	0.0	0.0	0.0
Bahraini Dinar	0.38	0.0	-0.1	0.0
Egyptian Pound	23.10	0.0	18.2	47.0

Corporate Calendar

Date	Company	Event
10 th Nov	SISCO	EGM
10 th Nov	MOBI	EGM
13 th Nov	DERAYAH REIT	Cash Dividend Distribution
14 th Nov	SULAIMAN AL HABIB	Cash Dividend Distribution
15 th Nov	Ladun	Cash Dividend Distribution
20 th Nov	TECO	EGM

*EGM: Extra Ordinary Meeting

*OGM: Ordinary General Meeting

Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	3,349	0.0	1.0	4.8	9.8
Abu Dhabi (ADX)	10,287	0.0	4.8	21.2	21.3
Kuwait (KSE)	5,473	0.8	2.5	-7.0	8.5
Qatar (QE)	12,251	-0.1	-3.5	5.4	13.7
Oman (MSM)	4,379	-0.5	-3.3	6.0	12
Bahrain (BSE)	1,864	0.0	-1.0	3.7	7.1
Egypt (EGX30)	11,101	0.3	13.0	-7.1	5.7

International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	32,862	0.0	14.4	-9.6	18.8
Nasdaq	11,546	0.0	5.2	-29.3	24.0
S&P 500	3,901	0.0	8.8	-18.2	19.0
FTSE 100	7,048	0.0	2.2	-4.6	13.0
Germany DAX 30	13,243	0.0	9.3	-16.6	12.7
France CAC 40	6,273	0.0	8.9	-12.3	12.9
Japan Nikkei 225	27,105	0.0	4.5	-5.9	27.2
Russia MOEX	2,168	0.0	10.7	-42.8	3.7
Hong Kong Hang Seng	14,863	0.0	-13.7	-36.5	5.7
South Korea KOSPI	2,268	0.0	5.2	-23.8	10.2
China Shanghai Composite	2,916	0.0	-3.6	-19.9	12.9
Australia ASX 200	6,786	0.0	4.8	-8.9	14.0
India Sensex	59,960	0.0	4.4	2.9	22.2
MSCI EM	846	0.0	-3.4	-31.4	9.5
MSCI World	2,561	0.0	7.7	-20.8	16.5

Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	97.49	0.0	-0.9	23.1
Brent Crude (\$/bbl)	95.77	0.0	8.9	20.7
Texas crude (\$/bbl)	87.90	0.0	10.6	14.2
Natural Gas (\$/mmbtu)	5.68	0.0	-16.0	54.0
Gold (\$/oz)	1,644.86	0.0	-0.9	-9.4
Silver (\$/oz)	19.26	0.0	1.2	-16.4
Steel (\$/ton)	710.00	0.0	-8.5	-50.2
Iron Ore (CNY/MT)	696.50	0.0	-8.6	1.5
Wheat (\$/bu)	829.25	0.0	-10.0	6.5
Corn (\$/bu)	680.75	0.0	0.5	24.7
Sugar (\$/lb)	17.58	0.0	-0.6	-3.7
SMP* (EUR/MT)	3,225.00	0.0	-12.6	-4.2

*SMP: Skimmed Milk Powder

Interbank Rates

Region	Rate*	Daily Change(bps)	MTD (bps)	YTD (bps)
KSA (SAIBOR 1M)	4.87	-0.4	117.4	416.2
KSA (SAIBOR 3M)	5.89	10.6	177.1	498.4
KSA (SAIBOR 6M)	5.90	3.5	133.5	491.9
KSA (SAIBOR 12M)	6.35	2.1	130.4	528.6
USD (LIBOR 3M)	4.44	0.0	68.5	423.0
UAE (EIBOR 3M)	4.10	0.0	54.5	374.0

Data Sources: Tadawul, Bloomberg, Reuters
Closes as of October 30, 2022

Technical observations

Index	TASI
Ticker	SASEIDX Index
Last Close	11,632
Short-term view	Cautious
52 weeks high/low	13,949 – 10,600

Market data

Exchange Market Cap. (SARbn)	10,690.3
Value (SARmn)	3,754.2
Volume (mn)	104.0
Number of Transactions	246,249
Market Breadth	97 : 104

Key statistics

1D return %	-0.66%
WTD return %	-0.66%
QTD return	1.99%
YTD return	3.11%
ADT vol. 3M* (mn)	155.6
ADT val. 3M (SARmn)	6,006.3

ADT stands for Average Daily Traded *

TASI market commentary

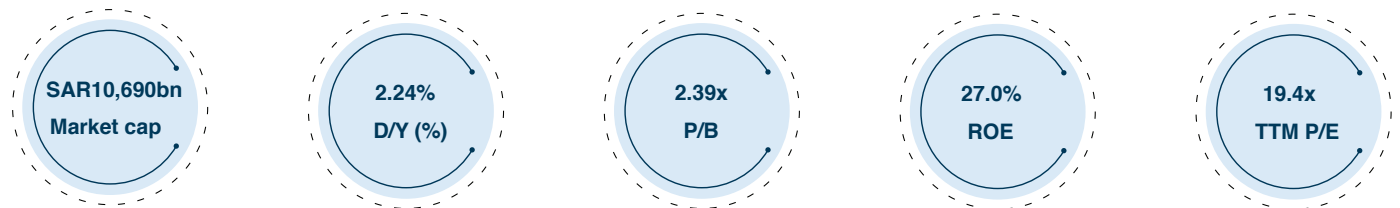
- The TASI declined on Sunday weighed down by selling in index heavyweights like Banks (-1.51% D/D) and Utilities (-0.30% D/D) stocks. At close, the Saudi market ended the day with a loss of -0.66% at 11,632. In terms of activity, total volumes and value traded were ~104mn and ~SAR 3.8bn respectively. The advance-decline ratio came in at 97/104.

Technical outlook

- The TASI fell for the fourth straight session and declined around 77 points to close the trading session below the 11,650 mark. The index opened gap up and after tagging an intraday high near 11,770 surrendered all its gains, and slid lower on the back of profit-booking. Moreover, the index failed to defend its support of the 20-day moving average near 11,710, and closed near its day's low, indicating weakness. Furthermore, the RSI line is moving lower towards the negative territory, with no immediate trend reversal signs. Meanwhile, the index needs to hold on to its short-term support near 11,600 of its ascending trendline, for its rebound hopes to be intact. However, any breach below it could result in further profit booking, and the index may pull down to test the 11,490 level. On the flip side, the index has immediate resistance of its 20-day moving average near 11,710, above which it can test the 11,760 level.

Key price levels

S3	S2	S1	Pivot	R1	R2	R3
11,268	11,325	11,492	11,596	11,712	11,764	11,833



Source: Bloomberg, Argam

TASI daily chart



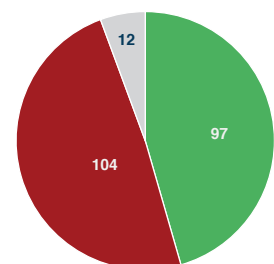
Source: Tradingview, Tadawul, AlJazira Capital

Our view



Market depth

Unchanged
Up
Down



SAUDI MARKET - TOP PICKS FOR THE WEEK

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

* As of 31st October 2022

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Candlestick: A candlestick (candle) is a type of price chart used to display the high, low, opening, and closing prices of a security for the period under consideration.

Support: This is the price level at which demand is strong enough to avoid any further price decline.

Resistance: This is the price level at which supply is strong enough to stop any further price increase.

Pattern/formation: This is a plot of a security's price activity over a certain period that can be used to identify potential trends, reversal of trends, price targets, entry and exit points, etc. There are various formations – such as head & shoulders, triangles, flags, etc.

Simple moving average: A simple moving average is formed by computing the average price of a security over a specific number of periods. Moving averages are based on closing prices.

Relative strength index (RSI): RSI is a momentum indicator that compares a security's price gains to its losses for a predetermined number of periods (generally, 14 periods are used). The RSI attempts to point out how security, in relative terms, is in the overbought/oversold zone.

Moving average convergence/divergence (MACD): MACD is a trading indicator that shows changes in the strength, direction, momentum, and duration of a trend in a stock's price through a collection of three- time series calculated from historical closing prices.

Fibonacci retracements: These are horizontal lines that indicate the expected areas of support/resistance for a security based on a predetermined price movement. These are usually indicated by Fibonacci ratios of 23.6%, 38.2%, 50.0%, 61.8%, and 100% from that movement.

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