



Major Economic News

- The Ministry of Finance reported that Saudi Arabia posted revenue of SAR 950.2bn and expenditure of SAR 800.7bn in first nine months of FY22, with surplus of SAR 149.5bn. In Q3-22, revenue was reported at SAR 301.9bn while expenditure reached 287.7bn, indicating a budget surplus of 14.1bn. (Source: Argaam)
- According to World Bank, Saudi Arabia's economic growth is expected to accelerate to 8.3% Y/Y in FY22 before slowing down to 3.7% Y/Y and 2.3% Y/Y in FY23 and FY24, respectively. (Source: Argaam)
- OPEC raised projections for global oil demand to 105.5mn bpd by FY25 and sought additional investments worth USD 12.1tn to meet the demand. The group expects oil demand to be at 108.3mn bpd in FY30 and 109.5mn bpd between FY40- FY50. (Source: Argaam)

Major Corporate News

- The CMA approved Americana Restaurant International Co.'s application for simultaneous and dual listing on Saudi Arabian and UAE markets by floating 2.5bn shares or 30.0% of its capital. (Source: Argaam)
- Elm Co. signed an agreement with the Ministry of Environment, Water and Agriculture worth SAR 299.9mn. (Source: Argaam)

Earnings update (Net Profit) (SAR mn)

Company	Q3-22	Q3-21	Y/Y %	Q2-22	Q/Q %
Najran Cement	27.9	36.1	-22.7	13.3	110.3
EIC	23.6	10.1	132.8	18.5	27.3
Petro Rabigh	-1,413.0	221.0	NM	1,385.0	NM
Care	42.6	33.2	28.5	42.0	1.5
SPPC	-3.9	-17.8	NM	0.9	NM
TCC	7.8	8.5	-8.1	2.5	212.9
AMAK	22.6	41.8	-46.0	40.4	-44.1
ARAMCO	159,120.0	114,090.0	39.5	181,640.0	-12.4
Tawuniya	138.0	89.9	53.5	210.7	-34.5
MEPCO	54.6	65.1	-16.1	99.2	-45.0
Saudi RE	35.7	11.4	212.5	-4.8	-836.6

Market Analysis

- The Saudi Stock Exchange increased 0.3% to 11,667.8. The value traded stood at SAR 5.2bn (up 38.4% over previous day), while the advance-decline ratio stood at 117/80. The parallel market index decreased 0.5% to 19,504.2 points. The value traded stood at SAR 14.3mn (up 8.4% over previous day). Most sectors in the main market ended in the green. Insurance and Media (up 2.2% and 1.5%, respectively) advanced the most; Real Estate and Healthcare (down 1.6% each) led the laggards.

Top Gainers

Company	Price	Change%
ATHEEB TELECOM	52.40	10.0
TADCO	18.36	9.9
FIPCO	41.40	6.0
FITAIHI GROUP	38.85	5.0
SABB	43.50	4.3

Top Losers

Company	Price	Change%
DAR ALARKAN	13.42	-6.8
A.OTHAIM MARKET	113.60	-4.7
HB	58.80	-4.2
AWPT	132.00	-3.8
DWF	214.00	-3.2

Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	11,668	11,668	11,549	0.3	3.4
NomuC	19,504	19,645	19,437	-0.5	-24.9

TASI movement during session



TASI Ratios

P/E* (x)	19.7
Price-to-Book (x)	2.4
Dividend Yield (%)	2.2
Return on Equity (%)	26.9

*Source: Argaam (Excluding Aramco)

Index	Close	Daily Change%	YTD %	PE (TTM)
Energy	5,897	0.5	6.9	13.6
Materials	6,940	-0.2	-5.5	12.8
Capital Goods	6,439	1.1	-14.7	21.8
Commercial Service	3,722	0.3	-16.2	44.5
Transportation	4,796	-0.2	-8.4	High
Consumer Durables	5,004	0.9	-21.2	Neg
Consumer Services	4,015	-1.0	-13.5	High
Media	23,833	1.5	2.5	26.2
Retailing	7,900	-0.3	-19.8	21.9
Food & Staples	9,810	-1.6	7.6	27.8
Food & Beverages	4,970	0.9	2.8	44.8
Healthcare	9,643	-1.6	31.8	47
Pharma & Bio Tech	3,496	-0.9	-32.7	Neg
Banks	13,073	0.7	7.0	19.2
Diversified Financial	7,661	0.1	12.2	8.4
Insurance	5,725	2.2	-4.4	Neg
Telecom	7,031	0.0	-3.4	18.6
Utilities	8,204	-0.3	38.3	16.4
REITs	4,178	-0.8	-9.4	23.1
Real Estate	2,891	-1.6	-8.8	High
Software & Services	36,848	1.4	28.6	35.1

Average Index Value

Average days 5	Average days 10	Average days 20	Average value traded for September (bn)
11,756	11,843	11,715	5.29

Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	9	249.6	546.70
Previous week	31.3	790.4	1,622.40

Top Weighted Companies

Company	Price	Change%
Al Rajhi	85.20	-0.8
Saudi Aramco	34.90	0.4
SNB	59.40	2.8
SABIC	88.40	0.5
STC	40.40	0.4

Regional and International Markets

- Among other regional markets, Dubai decreased 0.5%, while Abu Dhabi increased 1.2%. Egypt, Qatar, and Kuwait increased 2.5%, 1.3% and 0.3%, respectively, while Oman declined 0.3%. Meanwhile, Bahrain remained flat.
- US personal income increased by 0.4% M/M in September (consensus: rise by 0.3% M/M) same as the rise reported in August. Disposable income also increased by 0.4% M/M in September, while personal spending increased 0.6% M/M in September. (Source: Econoday)
- Eurozone inflation accelerated to 10.7% Y/Y in October (consensus: rise by 10.2% Y/Y) versus 10.0% Y/Y in September. Core inflation increased 5.0% Y/Y in October as compared to a rise of 4.8% Y/Y in September. (Source: Econoday)
- Eurozone GDP edged up 0.2% Q/Q in Q3-22 (consensus: 0.2% Q/Q), slower than 0.8% Q/Q rise in Q2-22. On Y/Y basis, GDP growth halved to 2.1% in Q2-22 (consensus: 2.1% Y/Y) versus growth of 4.3% Y/Y in Q2-22. (Source: Econoday)
- Oil prices dropped 1.0%, based on prospects of rise in US production and weaker demand from China.
- Gold prices fell 0.7%, due to relatively strong US dollar, rising bond yields and prospects of higher interest rates from US Federal Reserve.

Forex / Currency

Currency	Close	Daily Change%	MTD %	YTD %
Dollar Index	111.50	0.7	-0.5	16.6
Euro	1.00	-0.8	0.8	-13.1
Japanese Yen	148.70	0.8	2.7	29.2
Sterling Pound	1.10	-1.3	2.7	-15.2
Chinese Yuan	7.30	1.0	2.7	15.4
Indian Rupee	82.80	0.4	1.8	11.4
UAE Dirham	3.70	0.0	0.0	0.0
Qatari Rial	3.70	0.0	0.1	0.3
Kuwaiti Dinar	0.30	0.0	-0.1	2.4
Omani Rial	0.40	0.0	0.0	0.0
Bahraini Dinar	0.40	0.0	-0.1	0.0
Egyptian Pound	24.20	4.6	23.6	53.7

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)	3,332	-0.5	0.5	4.3	9.7
Abu Dhabi (ADX)	10,412	1.2	6.1	22.7	19.7
Kuwait (KSE)	5,490	0.3	2.8	-6.7	8.6
Qatar (QE)	12,414	1.3	-2.2	6.8	13.7
Oman (MSM)	4,366	-0.3	-3.6	5.7	11.9
Bahrain (BSE)	1,865	0.0	-0.9	3.7	7.1
Egypt (EGX30)	11,373	2.5	15.7	-4.8	5.7

International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	32,733	-0.4	14.0	-9.9	18.7
Nasdaq	11,406	-1.2	4.0	-30.1	23.6
S&P 500	3,872	-0.7	8.0	-18.8	18.8
FTSE 100	7,095	0.7	2.9	-3.9	13.1
Germany DAX 30	13,254	0.1	9.4	-16.6	12.8
France CAC 40	6,267	-0.1	8.8	-12.4	12.8
Japan Nikkei 225	27,587	1.8	6.4	-4.2	27.0
Russia MOEX	2,167	-0.1	10.7	-42.8	3.7
Hong Kong Hang Seng	14,687	-1.2	-14.7	-37.2	5.8
South Korea KOSPI	2,294	1.1	6.4	-23.0	10.3
China Shanghai Composite	2,893	-0.8	-4.3	-20.5	13.1
Australia ASX 200	6,863	1.1	6.0	-7.8	14.3
India Sensex	60,747	1.3	5.8	4.3	22.5
MSCI EM	848	0.3	-3.2	-31.2	9.6
MSCI World	2,548	-0.5	7.1	-21.2	16.4

Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	95.6	-1.9	-2.8	20.8
Brent Crude (\$/bbl)	94.8	-1.0	7.8	19.6
Texas crude (\$/bbl)	86.5	-1.6	8.9	12.4
Natural Gas (\$/mmbtu)	6.4	11.8	-6.1	72.1
Gold (\$/oz)	1,633.6	-0.7	-1.6	-10.0
Silver (\$/oz)	19.2	-0.5	0.7	-16.8
Steel (\$/ton)	713.0	0.4	-8.1	-50.0
Iron Ore (CNY/MT)	664.5	-4.6	-12.8	-3.1
Wheat (\$/bu)	882.3	6.4	-4.3	13.3
Corn (\$/bu)	691.5	1.6	2.1	26.7
Sugar (\$/lb)	18.0	2.2	1.6	-1.6
SMP* (EUR/MT)	3,225.0	0.0	-12.6	-4.2

*SMP: Skimmed Milk Powder

Interbank Rates

Region	Rate*	Daily Change(bps)	MTD (bps)	YTD (bps)
KSA (SAIBOR 1M)	4.76	-10.6	106.8	405.6
KSA (SAIBOR 3M)	5.60	-29.1	148.1	469.3
KSA (SAIBOR 6M)	5.84	-6.6	126.9	485.3
KSA (SAIBOR 12M)	6.26	-8.5	122.0	520.2
USD (LIBOR 3M)	4.44	0.0	68.5	423.0
UAE (EIBOR 3M)	4.23	12.7	67.2	386.6

Data Sources: Tadawul, Bloomberg, Reuters
Closes as of October 31, 2022



Technical observations

Index	TASI
Ticker	SASEIDX Index
Last Close	11,668
Short-term view	Cautious
52 weeks high/low	13,949 – 10,600

Market data

Exchange Market Cap. (SARbn)	10,730.9
Value (SARmn)	5,197.1
Volume (mn)	145.6
Number of Transactions	300,494
Market Breadth	117 : 80

Key statistics

1D return %	0.30%
WTD return %	-0.36%
QTD return	2.30%
YTD return	3.42%
ADT vol. 3M* (mn)	153.0
ADT val. 3M (SARmn)	5,905.4

ADT stands for Average Daily Traded *

TASI market commentary

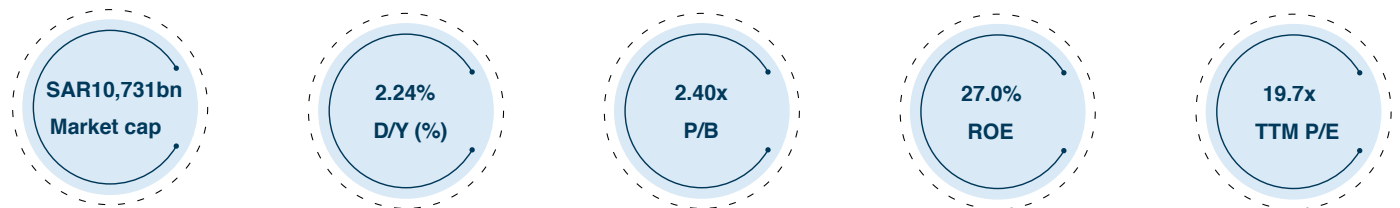
- The TASI rose on Monday on the back of buying in index heavyweights like Banks (0.74% D/D) and Energy (0.51% D/D) stocks. At close, the Saudi market ended the day with gains of 0.30% at 11,668. In terms of activity, total volumes and value traded were ~146mn and ~SAR 5.2bn respectively. The advance-decline ratio came in at 117/80.

Technical outlook

- The TASI ended its four-straight day of losses and gained around 35 points to close the trading session above the 11,650 mark. The index opened gap up but immediately slid lower testing an intraday low of around 11,550. However, the index managed to rebound and recoup all its losses, as buyers stepped in and pushed the price higher during the auction period. Moreover, the index developed a hammer candle on the daily chart, right near its short-term support of the ascending trendline, keeping its rebound hopes alive and indicating a possibility of a short reversal. However, an immediate green candle follow-through is required for confirmation. Meanwhile, the next strong resistance is near 11,720 (20-day moving average), followed by the 11,850 mark (near the 10-day moving average). On the flip side, the index has immediate short-term support near its ascending trendline near the 11,620 level, below which the index can move lower to test the 11,550 level.

Key price levels

S3	S2	S1	Pivot	R1	R2	R3
11,268	11,330	11,548	11,618	11,689	11,716	11,843



Source: Bloomberg, Argam

TASI daily chart

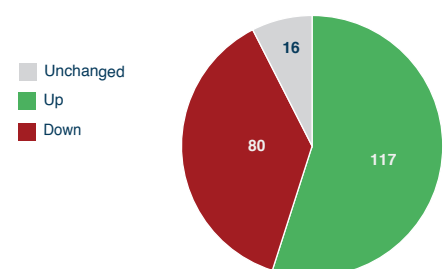


Source: Tradingview, Tadawul, AlJazira Capital

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 market volatility

* As of 1st November 2022

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Head of Sell-Side Research

Jassim Al-Jubran

+966 11 2256248

j.aljabran@aljaziracapital.com.sa

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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