

Major Economic News

- Saudi Arabia's Ministry of Investment signed an MoU with Nestle to invest in the food industry. Nestle will invest SAR 7.0bn in the Kingdom over 10 years with an initial investment of SAR 375.0mn. The company aims to establish a cutting-edge manufacturing site, a research and development center and Nestle's first business incubator and upliftment program for Saudi talent. (Source: Argaam)
- The point-of-sale transactions reached nearly SAR 9.8bn in the week ended November 19, compared to SAR 10.6bn in the week before. Data showed that about 145.6mn transactions were processed during the week. (Source: Argaam)

Major Corporate News

- Saudi Basic Industries Corp. and Saudi Aramco plan to launch a joint venture to convert crude into petrochemicals in Ras Al Khair, with a capacity of 400,000 barrels of crude per day, according to Minister of Energy Prince Abdulaziz bin Salman. He added that the project will be completed in coming years. (Source: Argaam)
- Scientific and Medical Equipment House Co. received the approval to award competitions for maintenance projects with the Ministry of Human Resources and Social Development, at a total value of SAR 280.9mn. (Source: Argaam)
- Alkhorayef Water and Power Technologies Co. won a contract worth SAR 35.4mn, exclusive of value-added tax, from National Water Co. to operate and maintain environmental services network with central culvert in Madinah. The agreement is valid for 36 months. The relevant financial impact is set to appear in Q1-23. (Source: Argaam)

Market Analysis

- The Saudi Stock Exchange increased 0.3% to 10,965.4 on Tuesday. The value traded stood at SAR 3.3bn (down 17.6% over the previous day), while the advance-decline ratio stood at 100/101. The parallel market index increased 0.4% to 19,131.1 points. The value traded stood at SAR 19.0mn (down 33.3% over the previous day). Most sectors in the main market ended in the green. Diversified Financials and Telecom (up 2.9% and 2.0%, respectively) advanced the most; Healthcare and Food & Staples (down 2.5% and 2.2%, respectively) led the laggards.

Top Gainers

Company	Price	Change%
TECO	26.50	9.9
TADAWUL GROUP	169.60	5.7
GULF UNION ALAHLIA	10.10	4.1
SAUDI RE	14.54	4.0
BSFR	41.95	3.6

Top Losers

Company	Price	Change%
A.OTHAIM MARKET	112.00	-4.3
SULAIMAN ALHABIB	220.40	-3.8
ALAMAR	142.00	-2.7
HB	51.10	-2.7
UACC	17.22	-2.6

Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	10,965	10,965	10,836	0.3	-2.8
NomuC	19,131	19,185	18,821	0.4	-26.4

TASI movement during session



TASI Ratios

P/E* (x)	17.9
Price-to-Book (x)	2.2
Dividend Yield (%)	2.4
Return on Equity (%)	27.6

*Source: Argaam (Excluding Aramco)

Index	Close	Daily Change%	YTD %	PE (TTM)
Energy	5,636	0.9	2.2	12.1
Materials	6,182	0.1	-15.8	12.2
Capital Goods	5,755	-0.4	-23.7	16.7
Commercial Service	3,705	0.3	-16.6	32.1
Transportation	4,760	-0.1	-9.1	High
Consumer Durables	4,648	0.8	-26.8	Neg
Consumer Services	4,007	-0.1	-13.7	High
Media	22,007	-1.8	-5.4	23.1
Retailing	7,640	0.3	-22.4	21.3
Food & Staples	9,212	-2.2	1.0	19.7
Food & Beverages	4,842	0.8	0.1	40.4
Healthcare	8,961	-2.5	22.5	43.9
Pharma & Bio Tech	3,166	0.1	-39.0	Neg
Banks	12,480	0.2	2.1	17.3
Diversified Financial	6,442	2.9	-5.7	7.1
Insurance	5,491	1.0	-8.3	High
Telecom	6,774	2.0	-6.9	17
Utilities	7,042	0.8	18.7	15.1
REITs	4,001	-0.1	-13.2	22.1
Real Estate	2,787	-0.6	-12.1	47.6
Software & Services	34,374	1.6	20.0	32

Average Index Value

Average days 5	Average days 10	Average days 20	Average value traded for the month (bn)
11,048	11,140	11,366	5.09

Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	10.4	268.2	759.20
Previous week	27.3	618.6	1,644.30

Top Weighted Companies

Company	Price	Change%
Al Rajhi	82.90	-0.4
Saudi Aramco	33.40	0.9
SNB	52.80	0.4
SABIC	82.90	1.1
STC	39.00	2.8



Regional and International Markets

- Among other regional markets, Dubai decreased 0.1%, while Abu Dhabi increased 1.3%. Oman, Qatar and Kuwait increased 0.9%, 0.6% and 0.1%, respectively. Egypt declined 0.2%. Meanwhile, Bahrain remained flat.
- According to EIA, oil inventories in the US fell 3.7mn barrels (prior: down 5.4mn) to 431.7mn in the week ended November 18. Gasoline inventories increased 3.1mn barrels (prior: up 2.2mn) to 211.0mn, while distillate inventories rose 1.7mn barrels (prior: up 1.1mn) to 109.1mn. (Source: EIA, Econoday)
- US initial jobless claims increased to 240,000 (consensus: 225,000) in the week ended November 19, representing a rise of 17,000 from the previous week's revised level of 223,000. (Source: Econoday)
- US new home sales jumped 7.5% to an annual rate of 632,000 in October (consensus: 575,000) after dropping by 11.0% to a revised rate of 588,000 in September. (Source: RTT News, Econoday)
- Oil prices plunged 3.3%, as G7 nations are likely to impose a cap at a much-higher-than-expected range of USD 65 - USD 70 per barrel as selling price of Russian oil.
- Gold prices gained 0.5%, as minutes of the US Federal Reserve's November meeting revealed that the central bank may slowdown rate hikes.

Forex / Currency

Currency	Close	Daily Change%	MTD %	YTD %
Dollar Index	106.08	-1.1	-4.9	10.9
Euro	1.04	0.9	5.2	-8.6
Japanese Yen	139.60	-1.2	-6.1	21.3
Sterling Pound	1.21	1.4	5.1	-10.9
Chinese Yuan	7.15	0.2	-2.5	12.5
Indian Rupee	81.85	0.2	-1.1	10.1
UAE Dirham	3.67	0.0	0.0	0.0
Qatari Rial	3.67	0.1	-0.4	-0.1
Kuwaiti Dinar	0.31	0.0	-0.6	1.8
Omani Rial	0.39	-0.1	0.0	0.0
Bahraini Dinar	0.38	0.0	0.0	0.0
Egyptian Pound	24.53	0.1	1.6	56.1

Corporate Calendar

Date	Company	Event
27 th Nov	Theeb	Cash Dividend Distribution
28 th Nov	Saudi Aramco	Cash Dividend Distribution
29 th Nov	AWPT	Cash Dividend Distribution
30 th Nov	KEIR International	EGM
30 th Nov	AMAK	EGM
01 st Dec	A.Othaim Market	Cash Dividend Distribution

*EGM: Extra Ordinary Meeting

*OGM: Ordinary General Meeting

Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	3,326	-0.1	-0.2	4.1	9.3
Abu Dhabi (ADX)	10,529	1.3	1.1	24.0	19
Kuwait (KSE)	5,659	0.1	3.1	-3.9	13.1
Qatar (QE)	11,897	0.6	-4.2	2.3	13.3
Oman (MSM)	4,544	0.9	4.1	10.0	11.4
Bahrain (BSE)	1,864	0.0	0.0	3.7	7.1
Egypt (EGX30)	12,600	-0.2	10.8	5.4	6

International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	34,194	0.3	4.5	-5.9	19.7
Nasdaq	11,839	1.0	3.8	-27.5	24.8
S&P 500	4,027	0.6	4.0	-15.5	19.5
FTSE 100	7,465	0.2	5.2	1.1	13.8
Germany DAX 30	14,428	0.0	8.9	-9.2	13.2
France CAC 40	6,679	0.3	6.6	-6.6	13.8
Japan Nikkei 225	28,116	0.0	1.9	-2.3	19.2
Russia MOEX	2,212	0.7	2.1	-41.6	3.8
Hong Kong Hang Seng	17,524	0.6	19.3	-25.1	6.5
South Korea KOSPI	2,418	0.5	5.4	-18.8	11.5
China Shanghai Composite	3,097	0.3	7.0	-14.9	13.8
Australia ASX 200	7,232	0.7	5.4	-2.9	14.6
India Sensex	61,511	0.1	1.3	5.6	23.2
MSCI EM	932	0.5	9.9	-24.3	10.6
MSCI World	2,697	0.8	5.9	-16.5	17.3

Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	87.15	0.2	-8.9	10.1
Brent Crude (\$/bbl)	85.41	-3.3	-9.9	7.7
Texas crude (\$/bbl)	77.94	-3.7	-9.9	1.2
Natural Gas (\$/mmbtu)	7.31	7.8	15.0	87.8
Gold (\$/oz)	1,749.68	0.5	7.1	-3.6
Silver (\$/oz)	21.54	2.1	12.4	-6.5
Steel (\$/ton)	658.00	-0.8	-7.7	-53.9
Iron Ore (CNY/MT)	739.50	-2.6	11.3	7.8
Wheat (\$/bu)	813.50	0.4	-9.5	4.2
Corn (\$/bu)	666.25	1.1	-4.4	20.5
Sugar (\$/lb)	19.55	-1.0	8.8	7.1
SMP* (EUR/MT)	2,963.00	-1.2	-8.1	-11.9

*SMP: Skimmed Milk Powder

Interbank Rates

Region	Rate*	Daily Change(bps)	MTD (bps)	YTD (bps)
KSA (SAIBOR 1M)	4.62	-0.8	-14.0	391.6
KSA (SAIBOR 3M)	5.53	1.8	-6.5	462.8
KSA (SAIBOR 6M)	5.84	-5.3	0.6	486.0
KSA (SAIBOR 12M)	6.30	-2.9	3.8	523.9
USD (LIBOR 3M)	4.70	0.0	23.8	448.4
UAE (EIBOR 3M)	4.30	2.6	7.1	393.7

Data Sources: Tadawul, Bloomberg, Reuters
Closes as of November 23, 2022

Technical observations	
Index	TASI
Ticker	SASEIDX Index
Last Close	10,965
Short-term view	Cautious
52 weeks high/low	13,949 - 10,600

Market data	
Exchange Market Cap. (SARbn)	10,194.9
Value (SARmn)	3,275.1
Volume (mn)	80.1
Number of Transactions	220,518
Market Breadth	100 : 101

Key statistics	
1D return %	0.32%
WTD return %	-1.59%
QTD return	-3.86%
YTD return	-2.80%
ADT vol. 3M* (mn)	139.1
ADT val. 3M (SARmn)	5,422.8

ADT stands for Average Daily Traded *

TASI market commentary

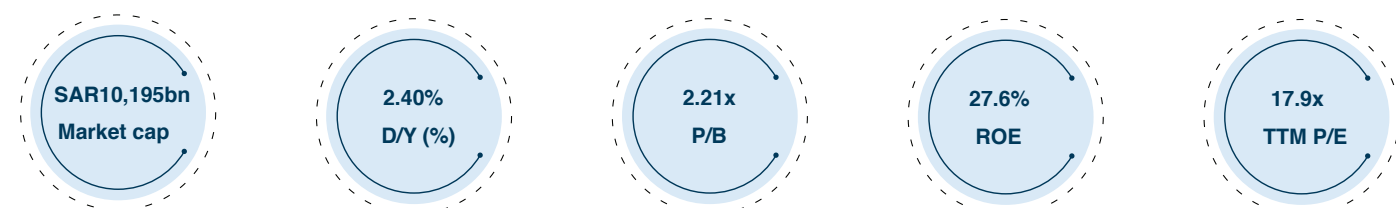
- The TASI rose on Tuesday, primarily due to strength in Index heavyweights Telecommunication Services (1.98% D/D) and Energy (0.86% DD) stocks. At close, the Saudi market ended the day with gains of 0.32% at 10,965. In terms of activity, total volumes and value traded were ~80mn and ~SAR 3.3bn respectively. The advance-decline ratio came in at 100/101.

Technical outlook

TASI gained around 35 points on Tuesday and ended its three-day losing streak to close the trading session above the 10,950 mark. The index after testing its intraday low near the 10,835 level, rebounded and recouped all its losses, as buyers stepped in and pushed the price higher to close above its previous support around the 10,900 level. Moreover, the index developed a hammer candle on the daily charts, showing signs of reversal. However, an immediate green candle follow-through is required for confirmation. Meanwhile, a close above the previous trough near the level of 10,980 will result in a short rally, and the index may test its 10-day moving average near the 11,140 mark. On the flip side, important support is seen near the 10,900 level, below which the index can re-test its previous low near 10,830. Short-term traders are advised to trade cautiously, and should also keep a track of the stop-loss levels. Meanwhile, medium-term traders are advised to sell rallies and wait for a buying signal near the zone of 10,600 and 10,750 level.

Key price levels

S3	S2	S1	Pivot	R1	R2	R3
10,764	10,834	10,899	10,979	11,140	11,219	11,331



Source: Bloomberg, Argaam

TASI daily chart

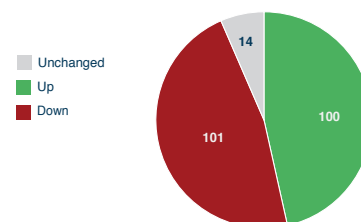


Source: Tradingview, Tadawul, AlJazira Capital

Our view



Market depth





SAUDI MARKET - TOP PICKS FOR THE DAY

Code	Company	Close*	Buy range	Target	Stop loss
7203	Elm Co.	307.60	307.60 – 306.90	310.40	304.80
7010	Saudi Telecom Co.	39.00	39.05 – 38.90	39.40	38.60
8210	Bupa Arabia For Cooperative Ins. Co.	182.60	182.70 – 182.40	184.40	180.80
1301	United Wire Factories Co.	27.10	27.10 – 27.00	27.35	26.85
1212	Astra Industrial Group	49.45	49.45 – 49.35	49.90	49.00
1830	Leejam Sports Co.	83.10	-83.10 82.80	83.85	82.35

* As of 22nd November 2022

CHARTS OF THE DAY

Technical observations

ELM after forming a Doji candle on Monday, moved higher on Tuesday penetrating above both its 5-day and 10-day moving averages. Moreover, all technical indicators support this bullish view.

Elm Co. (ELM)



Source: Tradingview, AlJazira Capital

Technical observations

STC witnessed a strong rebound on Tuesday and also developed a bullish marubozu candle. Moreover, the RSI line is moving up and above the 50 level, which supports this positive view.

Saudi Telecom Co. (STC)



Source: Tradingview, AlJazira Capital

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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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