



Major Economic News

- Saudi consumer spending increased 11% Y/Y to SAR 105.3bn in October 2022, up from SAR 94.8bn in the same month last year. (Source: Argaam). (Source: Argaam)
- Saudi Arabia signed four agreements worth SAR 1.0bn in various sectors, including hospitality and hotels, on the sidelines of the World Travel & Tourism Council summit. (Source: Argaam)
- The Public Investment Fund announced the formation of Aseer Investment Company (AIC) to serve as its investment arm in Saudi Arabia's Aseer region. AIC will encourage and promote domestic and foreign direct investment to develop and transform the region into an all-year tourism destination. (Source: Argaam)

Major Corporate News

- The board of directors of National Building and Marketing Co. approved revising its proposal to raise capital through a bonus issue, settling on a SAR 240.0mn top-up rather than the SAR 270.0mn initially proposed. (Source: Argaam)
- Saudi Enaya Cooperative Insurance Co. announced that the rump offering was completely oversubscribed. Institutional investors covered a total of 1.1mn shares (22.5%) during the entire offering period. (Source: Argaam)
- Saudi telecom provider stc and Arabian Internet and Communications Services Co. (solutions) signed several contracts totaling SAR 372.9mn to provide the former with technical, administrative, and logistical services for certain of its projects. (Source: Argaam)
- According to the authority's website, the Capital Market Authority approved Saudi Arabian Amiantit Co.'s proposal to raise capital through a rights issue worth SAR 346.5mn. (Source: Argaam)

Market Analysis

- The Saudi Stock Exchange decreased 0.7% to 10,822.7 on Thursday. The value traded stood at SAR 4.9bn (down 39.2% over previous day), while the advance-decline ratio stood at 126/75. The parallel market index decreased 2.6% to 18,747.9 points. The value traded stood at SAR 126.8mn (down 77.5% over previous day). Most sectors in the main market ended in the green. Consumer Durables and Transportation (up 1.8% and 1.4%, respectively) advanced the most; Utilities and Banks (down 1.6% and 1.5%, respectively) led the laggards.

Top Gainers

Company	Price	Change%
FITAIHI GROUP	31.20	6.1
SPM	23.60	5.7
SIPCHEM	37.90	5.7
THEEB	69.40	4.4
NGC	23.96	3.7

Top Losers

Company	Price	Change%
SABB	39.10	-5.0
NCLE	65.80	-4.6
ANB	33.35	-3.8
TAWUNIYA	77.30	-3.4
ALBILAD	50.30	-3.1

Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	10,823	10,958	10,823	-0.7	-4.1
NomuC	18,748	19,241	18,748	-2.6	-27.8

TASI movement during session



TASI Ratios

P/E* (x)	17.8
Price-to-Book (x)	2.2
Dividend Yield (%)	2.4
Return on Equity (%)	27.7

*Source: Argaam (Excluding Aramco)

Index	Close	Daily Change%	YTD %	PE (TTM)
Energy	5,586	-1.1	1.3	12
Materials	6,276	1.1	-14.5	12.5
Capital Goods	5,696	0.2	-24.5	16.7
Commercial Service	3,626	0.6	-18.4	31.4
Transportation	4,721	1.4	-9.8	High
Consumer Durables	4,542	1.8	-28.5	Neg
Consumer Services	3,984	-1.2	-14.2	High
Media	22,529	-1.4	-3.1	23.6
Retailing	7,712	-1.3	-21.7	21.6
Food & Staples	9,291	-0.3	1.9	19.9
Food & Beverages	4,723	0.2	-2.3	39.3
Healthcare	9,380	1.1	28.2	46.3
Pharma & Bio Tech	3,161	1.1	-39.1	Neg
Banks	12,119	-1.5	-0.8	16.8
Diversified Financial	6,442	-0.1	-5.7	7.1
Insurance	5,299	-1.0	-11.5	High
Telecom	6,644	-1.4	-8.7	16.5
Utilities	6,842	-1.6	15.3	15.4
REITs	4,007	1.1	-13.1	22.1
Real Estate	2,755	1.1	-13.1	47
Software & Services	36,540	1.1	27.5	33.6

Average Index Value

Average days 5	Average days 10	Average days 20	Average value traded for the month (bn)
10,803	10,904	11,120	5.08

Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	-	-	-
Previous week	24	588.5	1,520.10

Top Weighted Companies

Company	Price	Change%
Al Rajhi	80.10	-0.5
Saudi Aramco	33.10	-1.2
SNB	50.80	-1.2
SABIC	84.00	1.2
STC	37.50	-2.5

Regional and International Markets

- Among other regional markets, Dubai and Abu Dhabi remained closed. Egypt, Qatar, and Kuwait increased 2.9%, 0.8% and 0.3%, respectively. Meanwhile Oman remained closed, and Bahrain remained flat.
- According to Baker Hughes, North America's rig count increased to 979 in the week ended December 2. The rig count remained unchanged to 784 in the US and increased to 17 in the Gulf of Mexico from 16 earlier. The rig count in Canada increased to 195 from 194 in the week earlier. (Source: Baker Hughes)
- US Labor Department's employment report, 186,000 people left the labour force in November, keeping the unemployment rate at 3.7% (consensus: 3.7%). Nonfarm payrolls increased by 263,000 M/M in November (consensus: 200,000) as compared to 261,000 in October. (Source: Econoday)
- US pending home sales index declined 4.6% M/M to 77.1 in October (consensus: fall by 5.0% M/M) as compared to decline of 8.7% M/M to 80.8 in September. (Source: Econoday)
- Oil prices fell 1.5%, ahead of an OPEC+ meeting and an embargo on Russian crude oil by the EU.
- Gold prices fell 0.3%, after strong US jobs data fueled worries that the US Federal Reserve could continue its aggressive monetary policy tightening. (Source: Econoday)

Forex / Currency

Currency	Close	Daily Change%	MTD %	YTD %
Dollar Index	104.55	-0.2	-1.3	9.3
Euro	1.05	0.1	1.2	-7.3
Japanese Yen	134.31	-0.8	-2.7	16.7
Sterling Pound	1.23	0.3	1.8	-9.3
Chinese Yuan	7.02	-0.2	-0.4	10.4
Indian Rupee	81.32	0.1	-0.1	9.4
UAE Dirham	3.67	0.0	0.0	0.0
Qatari Rial	3.68	0.0	0.0	0.1
Kuwaiti Dinar	0.31	-0.2	-0.4	1.3
Omani Rial	0.38	0.0	0.0	0.0
Bahraini Dinar	0.38	0.0	0.0	0.0
Egyptian Pound	24.56	0.0	0.0	56.3

Corporate Calendar

Date	Company	Event
11 th Dec	SAIC	EGM
12 th Dec	QACCO	Cash Dividend Distribution
12 th Dec	Alamar	Cash Dividend Distribution
13 th Dec	Petro Rabigh	EGM
14 th Dec	Amlak	EGM
14 th Dec	Rawasi	OGM

*EGM: Extra Ordinary Meeting

*OGM: Ordinary General Meeting

Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	3,324	0.0	0.0	4.0	9.3
Abu Dhabi (ADX)	10,552	0.0	0.0	24.3	19
Kuwait (KSE)	5,696	0.3	0.3	-3.2	13.1
Qatar (QE)	12,018	0.8	0.8	3.4	13.4
Oman (MSM)	4,614	0.0	0.0	11.7	11.5
Bahrain (BSE)	1,865	0.0	0.0	3.7	7.1
Egypt (EGX30)	13,640	2.9	2.9	14.1	6.5

International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	34,430	0.1	-0.5	-5.3	19.8
Nasdaq	11,994	-0.4	-0.3	-26.5	25.1
S&P 500	4,072	-0.1	-0.2	-14.6	19.7
FTSE 100	7,556	-0.0	-0.2	2.3	14.0
Germany DAX 30	14,529	0.3	0.9	-8.5	13.2
France CAC 40	6,742	-0.2	0.1	-5.7	14.0
Japan Nikkei 225	27,778	-1.6	-0.7	-3.5	18.8
Russia MOEX	2,180	-0.3	0.3	-42.4	3.8
Hong Kong Hang Seng	18,675	-0.3	0.4	-20.2	6.9
South Korea KOSPI	2,434	-1.8	-1.5	-18.2	11.5
China Shanghai Composite	3,156	-0.3	0.2	-13.3	14.1
Australia ASX 200	7,301	-0.7	0.2	-1.9	14.7
India Sensex	62,869	-0.7	-0.4	7.9	23.6
MSCI EM	974	-0.5	0.2	-21.0	11.0
MSCI World	2,733	-0.3	0.4	-15.4	17.5

Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	85.89	-2.8	0.7	8.5
Brent Crude (\$/bbl)	85.57	-1.5	0.2	7.9
Texas crude (\$/bbl)	79.98	-1.5	-0.7	3.9
Natural Gas (\$/mmbtu)	6.28	-6.8	-9.4	57.0
Gold (\$/oz)	1,797.63	-0.3	1.6	-0.9
Silver (\$/oz)	23.14	1.7	4.3	0.4
Steel (\$/ton)	672.00	1.8	2.6	-52.9
Iron Ore (CNY/MT)	768.50	0.1	0.1	12.0
Wheat (\$/bu)	761.00	-2.8	-4.3	-2.5
Corn (\$/bu)	646.25	-2.2	-3.1	16.9
Sugar (\$/lb)	19.48	-0.7	-0.8	6.7
SMP* (EUR/MT)	2,927.00	-0.3	-3.9	-13.0

*SMP: Skimmed Milk Powder

Interbank Rates

Region	Rate*	Daily Change(bps)	MTD (bps)	YTD (bps)
KSA (SAIBOR 1M)	4.45	6.5	6.5	374.6
KSA (SAIBOR 3M)	5.37	-7.9	-7.9	446.0
KSA (SAIBOR 6M)	5.75	0.6	0.6	476.4
KSA (SAIBOR 12M)	6.05	-0.7	-0.7	498.9
USD (LIBOR 3M)	4.73	-3.2	-4.6	451.8
UAE (EIBOR 3M)	4.48	0.0	0.0	411.4

Data Sources: Tadawul, Bloomberg, Reuters
Closes as of December 2, 2022

Technical observations

Index	TASI
Ticker	SASEIDX Index
Last Close	10,823
Short-term view	Cautious Buy
52 weeks high/low	13,949 – 10,578

Market data

Exchange Market Cap. (SARbn)	10,116.1
Value (SARmn)	4,866.2
Volume (mn)	123.2
Number of Transactions	314,972
Market Breadth	126 : 75

Key statistics

1D return %	-0.68%
WTD return %	-1.06%
QTD return	-5.11%
YTD return	-4.07%
ADT vol. 3M* (mn)	136.7
ADT val. 3M (SARmn)	5,303.9

ADT stands for Average Daily Traded *

TASI market commentary

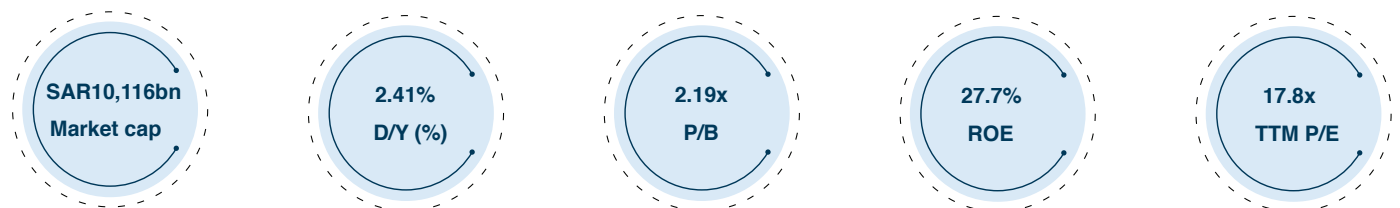
- The TASI fell on Thursday, primarily due to weakness in Index heavyweights Banks (-1.46% D/D) and Telecommunication Services (-1.37% DD) stocks. At close, the Saudi market ended the day with a loss of -0.68% at 10,823. In terms of activity, total volumes and value traded were ~123mn and ~SAR 4.9bn respectively. The advance-decline ratio came in at 126/75.

Technical outlook

- TASI declined around 75 points and ended the last day of the trading week below the 10,850 mark. The index opened gap up and after testing its intraday high near 10,960, slid lower on the back of profit booking. Meanwhile, the index developed a bullish candle on Wednesday and lost some momentum on Thursday due to profit-booking. However, the index rebound hopes are still intact and a possibility of a rally cannot be ruled out. Meanwhile, the index has immediate resistance near the previous bottom of the 10,900 level (10-day moving average), any penetration above could retest its previous intraday high near the 10,960 level. On the flip side, the next support for the index is seen near the 10,800 level, below which the index can witness profit booking and move lower to test the 10,680 level. Meanwhile, traders are advised to cautiously buy as the index is trading above its strong support, keeping a stop loss of the 10,600 level (previous strong support).

Key price levels

S3	S2	S1	Pivot	R1	R2	R3
10,548	10,599	10,683	10,805	10,904	10,958	11,121



Source: Bloomberg, Argaam

TASI daily chart



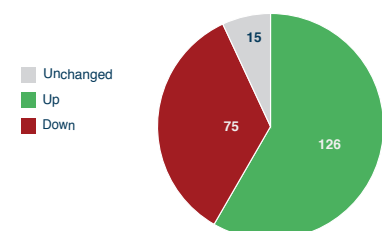
TradingView

Source: Tradingview, Tadawul, AlJazira Capital

Our view



Market depth



SAUDI MARKET - TOP PICKS FOR THE WEEK

Code	Company	Close*	Buy range	Target 1	Target 2	Stop loss
4261	Theeb Rent A Car Co.	69.40	68.60-69.40	71.10	72.80	67.80

*As of 1st December 2022

*Note – Stop loss is based on a closing basis and not on an intraday basis

CHARTS OF THE WEEK

Technical observations

THEEB penetrated above its channel trendline on Thursday, with a bullish candle, showing positive signs. Moreover, the stock rebounded from its previous strong support near the trendline, indicating strength. Furthermore, the RSI line is moving up and above the 50 level. We recommend buying the stock in a range of SAR 68.60 – 69.40, for a target of SAR 71.10 followed by SAR 72.80, with a strict stop loss of SAR 67.80 on a closing basis.

Theeb Rent A Car Co. (THEEB)



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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