

## Major Economic News

- Saudi Arabia's real GDP increased 8.8% Y/Y in Q3-22. The growth was driven by a 14.2% Y/Y and 6.0% Y/Y increase in oil and non-oil activities, respectively. As compared to Q2-22, seasonally adjusted GDP grew by 2.1% Y/Y. (Source: Argaam)
- Saudi Arabia's private sector contribution to GDP increased to 43% currently from 40% pre Vision 2030. The Kingdom aims to increase the contribution to 65% FY30. (Source: Argaam)
- Saudi Arabia's mega investments in water sector worth SAR 145.0bn are approved. The environment ministry's under-construction projects are valued at SAR 90.0bn while the ministry completed projects worth SAR 40.0bn. (Source: Argaam)
- The Ministry of Hajj and Umrah announced that it has issued 4.0mn Umrah visas since the beginning of the current Umrah season. This comes within the ministry's efforts, in partnership with a number of sectors in the Hajj and Umrah system, to facilitate the arrival of pilgrims through electronic submission on 'Nusuk' platform. (Source: Argaam)

## Major Corporate News

- Saudi National Bank (SNB) completed capital hike procedures with Credit Suisse Group. SNB now owns 9.9% of Credit Suisse Group's shares on investing CHF 1.4bn (c.SAR 5.5bn) in the capital increase. (Source: Argaam)
- The board of directors of Saudi British Bank (SABB) approved the repurchase of up to 1.0mn ordinary shares to be allocated for the long-term employee stock incentive plan. The bank will finance the repurchase from its internal resources. (Source: Argaam)

## Market Analysis

- The Saudi Stock Exchange decreased 1.1% to 10,138.3 on Sunday. The value traded stood at SAR 3.1bn (down 27.4% over previous day), while the advance-decline ratio stood at 27/183. The parallel market index decreased 1.2% to 18,534.9 points. The value traded stood at SAR 12.0mn (up 24.3% over previous day). Most sectors in the main market ended in the red. Utilities and REITs (up 1.9% and 0.5%, respectively) advanced the most; Capital Goods and Consumer Durables (down 4.0% and 3.5%, respectively) led the laggards.

## Top Gainers

Company	Price	Change%
TECO	22.52	6.2
ACWA POWER	138.00	4.4
SPPC	19.60	2.3
AI RAJHI REIT	9.90	2.2
JADWA REIT SAUDI	12.30	2.2

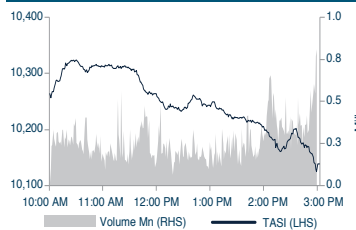
## Top Losers

Company	Price	Change%
TAPRCO	94.70	-10.0
NAMA CHEMICALS	33.50	-10.0
SAIC	28.35	-9.9
ALHOKAIR GROUP	17.98	-9.8
ATHEEB TELECOM	45.30	-9.8

## Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	10,138	10,326	10,122	-1.1	-10.1
NomuC	18,535	18,836	18,535	-1.2	-28.6

## TASI movement during session



## TASI Ratios

P/E* (x)	16.8
Price-to-Book (x)	2.1
Dividend Yield (%)	2.6
Return on Equity (%)	27.7

\*Source: Argaam (Excluding Aramco)

Index	Close	Daily Change%	YTD %	PE (TTM)
Energy	5,210	-1.7	-5.5	11.2
Materials	5,981	-2.0	-18.6	12
Capital Goods	5,213	-4.0	-30.9	15.4
Commercial Service	3,418	-2.2	-23.1	29.7
Transportation	4,525	-1.8	-13.5	High
Consumer Durables	4,225	-3.5	-33.5	Neg
Consumer Services	3,704	-2.3	-20.2	High
Media	22,087	-0.6	-5.0	23
Retailing	7,392	-1.3	-24.9	20.6
Food & Staples	8,471	-1.5	-7.1	18
Food & Beverages	4,535	-1.1	-6.2	37.8
Healthcare	8,723	-1.1	19.3	42.8
Pharma & Bio Tech	3,026	-1.5	-41.7	Neg
Banks	11,168	-0.6	-8.6	15.5
Diversified Financial	5,778	-1.5	-15.4	6.6
Insurance	5,060	-0.4	-15.5	High
Telecom	6,346	-0.3	-12.8	15.9
Utilities	6,716	1.9	13.2	14.9
REITs	3,980	0.5	-13.7	22
Real Estate	2,567	-2.9	-19.1	44
Software & Services	34,563	-2.1	20.6	31.9

## Average Index Value

Average days 5	Average days 10	Average days 20	Average value traded for December (bn)
10,287	10,538	10,795	3.98

## Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	3.1	84.3	256.00
Previous week	19.9	564.2	1,502.40

## Top Weighted Companies

Company	Price	Change%
Al Rajhi	74.30	-0.9
Saudi Aramco	30.85	-1.8
SNB	47.85	2.0
SABIC	81.30	-0.2
STC	36.70	0.4

## Regional and International Markets

- Among other regional markets, Dubai and Abu Dhabi remained closed. Kuwait and Oman increased 0.9% and 0.5%, respectively, while Egypt and Qatar declined 1.7% and 0.3%, respectively. Meanwhile, Bahrain remained flat.
- US PPI increased 7.4% Y/Y in November (consensus: 7.2% Y/Y) as compared to rise of 8.0% Y/Y in October. Excluding food and energy, producer prices increased 6.2% Y/Y in November (consensus: 5.9% Y/Y) as compared to rise of 6.7% Y/Y in October. (Source: Econoday)
- US wholesale inventories increased 0.5% M/M in October (consensus: rise of 0.8% M/M) as compared to rise of 0.6% M/M in September. Inventories of durable goods rose by 0.7% M/M in October after jumping by 1.0% M/M in September, while inventories of non-durable goods edged up by 0.2% M/M after remaining unchanged in the previous month. (Source: Econoday)
- China's CPI rose 1.6% Y/Y in November (consensus: 1.6% Y/Y) as compared to 2.1% Y/Y rise in October. (Source: Econoday)
- Japan producer prices increased 9.3% Y/Y in November (consensus: rise of 8.9% Y/Y) as compared to rise of 9.1% Y/Y in October. (Source: Econoday)

## Forex / Currency

Currency	Close	Daily Change%	MTD %	YTD %
Dollar Index	104.81	0.0	-1.1	9.6
Euro	1.05	0.0	1.3	-7.3
Japanese Yen	136.56	0.0	-1.1	18.7
Sterling Pound	1.23	0.0	1.7	-9.4
Chinese Yuan	6.96	0.0	-1.2	9.6
Indian Rupee	82.28	0.0	1.0	10.7
UAE Dirham	3.67	0.0	0.0	0.0
Qatari Rial	3.67	0.0	-0.1	0.0
Kuwaiti Dinar	0.31	0.0	-0.4	1.4
Omani Rial	0.38	0.0	0.0	0.0
Bahraini Dinar	0.38	0.0	0.0	0.0
Egyptian Pound	24.60	0.0	0.2	56.5

## Corporate Calendar

Date	Company	Event
12 <sup>th</sup> Dec	QACCO	Cash Dividend Distribution
12 <sup>th</sup> Dec	TECO	Rump offering closes
12 <sup>th</sup> Dec	AICC	Start of rights issue and subscription to new shares
12 <sup>th</sup> Dec	Alamar	Cash Dividend Distribution
12 <sup>th</sup> Dec	Americana Restaurants	Listing date
13 <sup>th</sup> Dec	Petro Rabigh	EGM

\*EGM: Extra Ordinary Meeting

\*OGM: Ordinary General Meeting

## Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	3,325	0.0	0.0	4.0	9.3
Abu Dhabi (ADX)	10,252	0.0	-2.9	20.8	18.5
Kuwait (KSE)	5,688	0.9	0.1	-3.4	13
Qatar (QE)	11,449	-0.3	-4.0	-1.5	12.8
Oman (MSM)	4,810	0.5	4.2	16.5	12
Bahrain (BSE)	1,855	0.0	-0.5	3.2	7.1
Egypt (EGX30)	14,588	-1.7	10.0	22.1	7.0

## International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	33,476	0.0	-3.2	-7.9	19.3
Nasdaq	11,563	0.0	-3.9	-29.1	24.1
S&P 500	3,934	0.0	-3.6	-17.5	19.0
FTSE 100	7,477	0.0	-1.3	1.2	13.8
Germany DAX 30	14,371	0.0	-0.2	-9.5	13.1
France CAC 40	6,678	0.0	-0.9	-6.6	13.8
Japan Nikkei 225	27,901	0.0	-0.2	-3.1	18.8
Russia MOEX	2,178	0.0	0.2	-42.5	3.7
Hong Kong Hang Seng	19,901	0.0	7.0	-14.9	7.1
South Korea KOSPI	2,389	0.0	-3.4	-19.8	11.2
China Shanghai Composite	3,207	0.0	1.8	-11.9	14.3
Australia ASX 200	7,213	0.0	-1.0	-3.1	14.5
India Sensex	62,182	0.0	-1.5	6.7	23.4
MSCI EM	978	0.0	0.6	-20.6	11.0
MSCI World	2,663	0.0	-2.1	-17.6	17.1

## Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	76.96	0.0	-9.8	-2.8
Brent Crude (\$/bbl)	76.10	0.0	-10.9	-4.1
Texas crude (\$/bbl)	71.02	0.0	-11.8	-7.8
Natural Gas (\$/mmbtu)	6.25	0.0	-9.9	56.1
Gold (\$/oz)	1,797.32	0.0	1.6	-1.0
Silver (\$/oz)	23.47	0.0	5.8	1.9
Steel (\$/ton)	667.00	0.0	1.8	-53.3
Iron Ore (CNY/MT)	820.00	0.0	6.8	19.5
Wheat (\$/bu)	734.25	0.0	-7.7	-6.0
Corn (\$/bu)	644.00	0.0	-3.4	16.5
Sugar (\$/lb)	19.60	0.0	-0.2	7.3
SMP* (EUR/MT)	2,885.00	0.0	-5.3	-14.3

\*SMP: Skimmed Milk Powder

## Interbank Rates

Region	Rate*	Daily Change(bps)	MTD (bps)	YTD (bps)
KSA (SAIBOR 1M)	4.70	-2.4	30.9	399.1
KSA (SAIBOR 3M)	5.29	6.3	-15.3	438.5
KSA (SAIBOR 6M)	5.67	-3.0	-7.2	468.6
KSA (SAIBOR 12M)	5.92	-2.5	-14.0	485.6
USD (LIBOR 3M)	4.73	-0.2	-4.5	451.9
UAE (EIBOR 3M)	4.48	-8.0	-0.3	411.1

Data Sources: Tadawul, Bloomberg, Reuters  
Closes as of December 11, 2022

## Technical observations

Index	TASI
Ticker	SASEIDX Index
Last Close	10,138
Short-term view	Cautious
52 weeks high/low	13,949 – 10,089

## Market data

Exchange Market Cap. (SARbn)	9,460.5
Value (SARmn)	3,054.6
Volume (mn)	84.6
Number of Transactions	255,996
Market Breadth	27 : 183

## Key statistics

1D return %	-1.06%
WTD return %	-1.06%
QTD return	-11.11%
YTD return	-10.13%
ADT vol. 3M* (mn)	133.7
ADT val. 3M (SARmn)	5,105.4

\*ADT stands for Average Daily Traded

## TASI market commentary

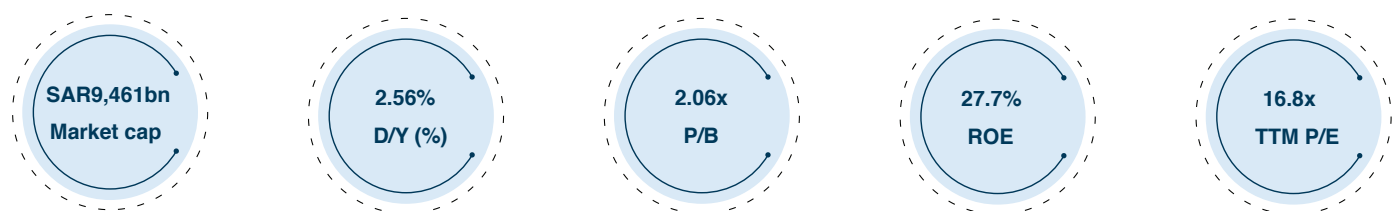
- The TASI fell on Sunday, primarily due to weakness in Index heavyweights Materials (-2.05% D/D) and Energy (-1.71% DD) stocks. At close, the Saudi market ended the day with a loss of -1.06% at 10,138. In terms of activity, total volumes and value traded were ~85mn and ~SAR 3.1bn respectively. The advance-decline ratio came in at 27/183.

## Technical outlook

- TASI declined around 108 points to close the trading session below the 10,150 mark, recording its lowest close since April 2021. The index opened gap up and after tagging an intraday high near the 10,330 level, later slid lower on the back of selling pressure. Moreover, the index failed to close above the trendline resistance above the 10,260 level and developed a bearish candle on the daily chart, indicating a possibility of further profit-booking. Furthermore, the RSI line is moving down into negative territory. Meanwhile, the index has its next support near the 52-week low near the 10,090 level, below which it can pull down further to test the 10,000 level, followed by the 9,950 level. On the flip side, resistance is seen near the 10,180 level, any penetration above it could test the 10,230 level. Meanwhile, traders are advised to exercise caution, as the index is still trading below its previous support near 10,600, and the next main support in the short-run remains near the 9,950 – 10,000 level.

## Key price levels

S3	S2	S1	Pivot	R1	R2	R3
9,951	10,004	10,089	10,176	10,232	10,260	10,328



Source: Bloomberg, Argaam

## TASI daily chart



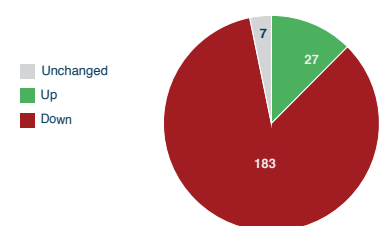
Tradingview

Source: Tradingview, Aljazira Capital

## Our view



## Market depth



## 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 12<sup>th</sup> December 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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