



Major Economic News

- The point-of-sale transactions reached SAR 10.7bn in week ended January 14, compared to SAR 11.2mn in previous week. Data showed that a total of 155.8mn transactions were processed. (Source: Argaam)

Major Corporate News

- Leejam Sports Co. (Fitness Time) opened a new fitness center for men in Al-Mubarraz city, Ahsa. The center will operate under the 'Fitness Time brand and will also have high-spec sports equipment as well as the latest designs for halls. (Source: Argaam)
- Stc paid SAR 1.4bn for a vacant land plot in Al Murjan, Al Khobar. stc stated that the 4.1mn sq.m. of land was sold at a public auction for SAR 336 per sq.m. The agreement calls for a SAR 10.0mn non-refundable deposit as well as a SAR 1.4bn promissory note for stc. (Source: Argaam)
- Until FY30, Saudi Electricity Co. (SEC) intends to invest between SAR 400 bn to 500bn in upgrading its power distribution networks and all necessary enablers. This includes transmission lines and distribution networks, as well as their sustainability, in addition to improving safety and the environment across the board. (Source: Argaam)
- In FY26, ACWA Power will open its first green hydrogen plant. The plant's capacity will exceed the world's current total production of green hydrogen, and due to the energy crisis, the plant will have a presence in Southeast Asia and Europe. The company intends to produce 650 tons per day of green hydrogen, which will be converted into green ammonia, as well as ship 1.15mn tons of liquid ammonia. (Source: Argaam)

Market Analysis

- The Saudi Stock Exchange decreased 0.2% to 10,664.0. The value traded stood at SAR 3.9bn (down 9.6% over previous day), while the advance-decline ratio stood at 137/65. The parallel market index decreased 1.1% to 19,053.5 points. The value traded stood at SAR 14.1mn (up 24.6% over previous day). Most sectors in the main market ended in the green. Food & Beverages and Insurance (up 2.0% and 0.9%, respectively) advanced the most; Diversified Financials and Banks (down 1.8% and 1.1%, respectively) led the laggards.

Top Gainers

Company	Price	Change%
ATHEEB TELECOM	72.20	8.4
DUR	22.80	5.9
CHEMANOL	26.85	4.3
CHUBB	16.88	4.2
ALRAJHI TAKAFUL	97.60	4.1

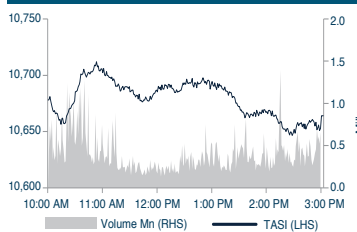
Top Losers

Company	Price	Change%
ALINMA	32.00	-4.1
QACCO	73.30	-3.6
TADAWUL GROUP	170.40	-3.0
SNB	48.50	-2.2
ANB	28.10	-1.8

Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	10,664	10,714	10,645	-0.2	1.8
NomuC	19,053	19,276	19,047	-1.1	-1.9

TASI movement during session



TASI Ratios

P/E* (x)	17.8
Price-to-Book (x)	2.2
Dividend Yield (%)	1.7
Return on Equity (%)	27.7

*Source: Argaam (Excluding Aramco)

Index	Close	Daily Change%	YTD %	PE (TTM)
Energy	5,444	0.2	0.3	11.6
Materials	6,713	0.7	6.7	13.5
Capital Goods	5,698	0.5	9.0	19
Commercial Service	3,536	0.0	2.9	30.7
Transportation	4,631	0.4	2.0	High
Consumer Durables	4,468	-0.2	5.8	Neg
Consumer Services	4,058	0.5	10.0	High
Media	22,597	0.2	5.1	23.6
Retailing	7,410	0.9	3.3	22.9
Food & Staples	8,877	-0.5	3.9	19
Food & Beverages	4,890	2.0	5.4	40.9
Healthcare	9,154	0.0	0.5	44.8
Pharma & Bio Tech	3,084	-0.4	7.3	Neg
Banks	11,430	-1.1	-1.0	15.8
Diversified Financial	6,226	-1.8	-2.1	7
Insurance	5,431	0.9	2.2	High
Telecom	6,557	0.2	2.6	16.3
Utilities	7,479	-0.1	4.2	16.2
REITs	3,921	0.1	-1.4	21.6
Real Estate	2,593	0.2	3.7	High
Software & Services	36,007	-0.5	0.3	31

Average Index Value

Average days 5	Average days 10	Average days 20	Average value traded for the month (bn)
10,709	10,651	10,542	3.97

Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	15.8	587.10	1,153.60
Previous week	21.8	790.50	1,619.00

Top Weighted Companies

Company	Price	Change%
Saudi Aramco	32.15	0.2
Al Rajhi	77.50	-0.6
SNB	48.50	-2.2
SABIC	95.10	-0.2
STC	37.25	-0.4



Regional and International Markets

- Among other regional markets, Dubai and Abu Dhabi decreased 0.2% and 0.3%, respectively. Bahrain, Kuwait, Oman increased 0.9%, 0.5%, and 0.4%, respectively, while Qatar declined 0.2%. Meanwhile, Egypt remained flat.
- US PPI increased 6.2% Y/Y to December (consensus: 6.8% Y/Y) as compared to 7.4% Y/Y in November. PPI except food and energy increased 5.5% Y/Y (consensus: 5.6% Y/Y) as compared to increase of 6.2% Y/Y in November. (Source: Econoday)
- US retail sales declined 1.1% M/M in December (consensus: -0.8% M/M) as compared to a decline of 1.0% M/M in November. (Source: Econoday)
- US industrial production declined 0.7% M/M in December (consensus: -0.1% M/M) as compared to decline of 0.6% M/M in November. Manufacturing output declined 1.3% M/M in December (consensus: -0.2% M/M) as compared to decline of 1.1% M/M in November. (Source: Econoday)
- Oil prices fell 1.1%, as concerns about a potential US recession overshadowed hope that China's easing of COVID-19 restraints would boost demand for crude.
- Gold prices edged lower 0.2%, on the back of weak US economic data as senior US Federal Reserve officials expressed their intention to continue raising interest rates to fight inflation.

Forex / Currency

Currency / USD	Close	Daily Change%	MTD %	YTD %
Dollar Index	102.36	0.0	-1.1	-1.1
Euro	1.08	0.1	0.8	0.8
Japanese Yen	128.90	0.6	-1.7	-1.7
Sterling Pound	1.23	0.5	2.2	2.2
Chinese Yuan	6.77	0.0	-2.2	-2.2
Indian Rupee	81.25	-0.6	-1.8	-1.8
UAE Dirham	3.67	0.0	0.0	0.0
Qatari Rial	3.66	0.1	-0.4	-0.4
Kuwaiti Dinar	0.31	0.0	-0.2	-0.2
Omani Rial	0.39	0.0	0.0	0.0
Bahraini Dinar	0.38	0.0	0.0	0.0
Egyptian Pound	29.65	0.1	19.8	19.8

Corporate Calendar

Date	Company	Event
22 nd Jan	AZM	EGM
23 rd Jan	SADAFICO	Cash Dividend Distribution
24 th Jan	CENOMI CENTERS	EGM
24 th Jan	Al-Jouf Health Water Factory	EGM
24 th Jan	Al-Jouf Health Water Factory	Ex-bonus Date
25 th Jan	SAIC	EGM

*EGM: Extra Ordinary Meeting

*OGM: Ordinary General Meeting

Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	3,349	-0.2	0.6	0.6	11.3
Abu Dhabi (ADX)	10,241	-0.3	-0.3	-0.3	18.4
Kuwait (KSE)	5,613	0.5	0.3	0.3	13.1
Qatar (QE)	10,586	-0.2	-0.9	-0.9	11.7
Oman (MSM)	4,837	0.4	-0.4	-0.4	12
Bahrain (BSE)	1,911	0.9	0.9	0.9	7.1
Egypt (EGX30)	15,987	0.0	9.5	9.5	7.5

International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	33,297	-1.8	0.5	0.5	19.7
Nasdaq	11,410	-1.3	4.3	4.3	24.8
S&P 500	3,929	-1.6	2.3	2.3	19.1
FTSE 100	7,831	-0.3	5.1	5.1	14.7
Germany DAX 30	15,182	0.0	9.0	9.0	14.0
France CAC 40	7,083	0.1	9.4	9.4	14.6
Japan Nikkei 225	26,791	2.5	2.7	2.7	17.9
Russia MOEX	2,196	0.0	2.0	2.0	3.7
Hong Kong Hang Seng	21,678	0.5	9.6	9.6	7.8
South Korea KOSPI	2,368	-0.5	5.9	5.9	11.2
China Shanghai Composite	3,224	0.0	4.4	4.4	14.7
Australia ASX 200	7,393	0.1	5.0	5.0	15.0
India Sensex	61,046	0.6	0.3	0.3	23.2
MSCI EM	1,030	0.3	7.7	7.7	11.4
MSCI World	2,714	-0.8	4.3	4.3	17.4

Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	86.71	1.3	2.9	2.9
Brent Crude (\$/bbl)	84.98	-1.1	-1.1	-1.1
Texas crude (\$/bbl)	79.48	-0.9	-1.0	-1.0
Natural Gas (\$/mmbtu)	3.31	-7.7	-26.0	-26.0
Gold (\$/oz)	1,904.11	-0.2	4.4	4.4
Silver (\$/oz)	23.46	-1.9	-2.0	-2.0
Steel (\$/ton)	715.00	-2.1	-3.9	-3.9
Iron Ore (CNY/MT)	864.00	0.6	0.8	0.8
Wheat (\$/bu)	742.50	-1.2	-6.3	-6.3
Corn (\$/bu)	681.25	-0.6	0.4	0.4
Sugar (\$/lb)	19.82	-1.6	-1.1	-1.1
SMP* (EUR/MT)	2,757.00	-0.2	-0.7	-0.7

*SMP: Skimmed Milk Powder

Interbank Rates

Region	Rate*	Daily Change(bps)	MTD (bps)	YTD (bps)
KSA (SAIBOR 1M)	4.88	-3.0	14.9	14.9
KSA (SAIBOR 3M)	5.45	6.5	11.3	11.3
KSA (SAIBOR 6M)	5.65	-0.1	5.6	5.6
KSA (SAIBOR 12M)	5.85	4.6	-2.1	-2.1
USD (LIBOR 3M)	4.80	0.3	3.0	3.0
UAE (EIBOR 3M)	4.46	-18.5	14.9	14.9

Data Sources: Tadawul, Bloomberg, Reuters

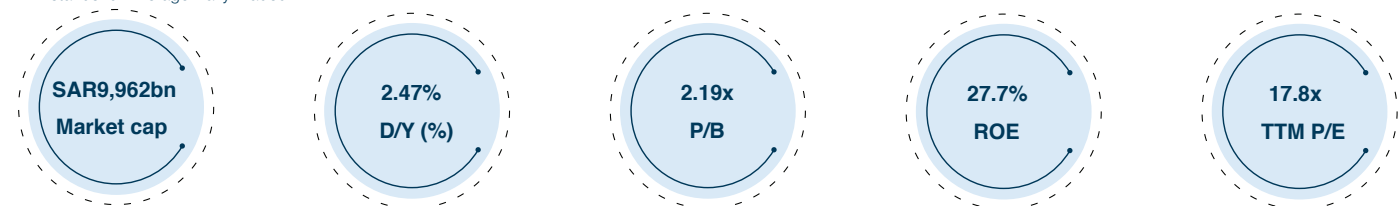
Closes as of January 18, 2023

Technical observations	
Index	TASI
Ticker	SASEIDX Index
Last Close	10,664
Short-term view	Cautious Buy
52 weeks high/low	13,949 – 9,950

Market data	
Exchange Market Cap. (SAR bn)	9,961.5
Value (SAR mn)	3,921.2
Volume (mn)	127.8
Number of Transactions	285,184
Market Breadth	137 : 65

Key statistics	
1D return %	-0.18%
MTD return %	1.77%
QTD return	1.77%
YTD return	1.77%
ADT vol. 3M* (mn)	152.3
ADT val. 3M (SARmn)	4,476.5

*ADT stands for Average Daily Traded



Source: Bloomberg, Argam

TASI daily chart



Source: Tradingview, Aljazira Capital

SAUDI MARKET - TOP PICKS FOR THE DAY

Code	Company	Close*	Buy range	Target	Stop loss
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No stocks recommendations due to market volatility

* As of 18th January 2023

* Note – Stop loss is based on an intraday basis

TASI market commentary

- The TASI declined on Tuesday, primarily due to contrast between Index heavyweights Banks (-1.13% D/D) and Materials (0.70% D/D) stocks. At close, the Saudi market ended the day with a change of -0.18% at 10,664. In terms of activity, total volumes and value traded were ~128mn and ~SAR 3.9bn respectively. The advance-decline ratio came in at 137/65.

Technical outlook

- TASI declined 19 points to close Wednesday's trading session near the 10,664 mark. Although bulls pushed the index up to record an intraday high near 10,714, bears resumed their profit-booking attitude for the fourth session in a row. TASI re-tests its 10-day SMA and the lower boundary of a short-term rising channel where sufficient demand lies which prevent bears from changing the short-term trend. Moreover, so far, the RSI lays above its declining trendline which is a bullish sign that keeps the possibility of a rebound toward higher levels. On the other hand, clearing the lower boundary of the rising channel turns the short-term trend sideways and further declines to the 23.6% Fibonacci retracement level. The index has immediate resistance near the level of 10,700 followed by 10,775 which coincides with the Fibonacci level of 38.2%, which if breached, the index may continue toward the next resistance of the 50% Fibonacci retracement level near the zone of 10,900. On the flip side, immediate support is seen around the 10-day SMA zone of 10,650 / 10,600 which if breached, may continue declining toward the support of 10,450. Traders are advised to cautiously buy and keep track of a stop loss below the level of 10,600.

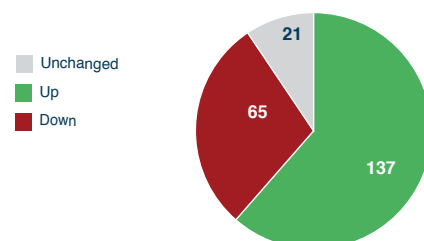
Key price levels

S3	S2	S1	Pivot	R1	R2	R3
10,325	10,450	10,600	10,700	10,775	10,900	11,025

Our view



Market depth



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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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