



Major Economic News

- In FY22, average prices of cables and timber increased 13.0% Y/Y each to SAR 49.2 per m. and SAR 3,647.5 per cu.m., respectively. The average price of iron increased to SAR 3,681.7 per ton (+4.0% Y/Y), meanwhile that of cement declined 1.0% Y/Y to SAR 13.8 per 50-kg bag. (Source: Argaam)
- The value of Saudi Arabia's oil exports rose 12% Y/Y to nearly SAR 90.0bn in November. November's oil exports represented 79.8% of the SAR 112.8bn total merchandise exports. (Source: Argaam)
- During the Municipal Investment Forum, Riyadh Municipality signed investment contracts with stc, Leejam and Alhokair Group to strengthen partnerships with the private sector in digital infrastructure, improve the quality of municipal services, and regulate food cart activity in the city. (Source: Argaam)
- The Abha bus transportation project will be launched in early FY24, according to the Aseer Development Authority, in collaboration with the Transport General Authority and the region's secretariat. (Source: Argaam)
- The Ministry of Human Resources and Social Development announced that the second phase of the updated Nitaqat Program has taken effect. The program is consistent with localization decisions and the ministry's plan to provide more opportunities for nationals and strengthen the stability of private sector establishments. (Source: Argaam)

Major Corporate News

- Saudi Ceramics porcelain tiles plant is 40% complete and expects trial and commercial production in its porcelain tiles plant to begin in Q1-24. (Source: Argaam)

Market Analysis

- The Saudi Stock Exchange increased 0.1% to 10,821.7 on Thursday. The value traded stood at SAR 3.7bn (down 9.7% over previous day), while the advance-decline ratio stood at 116/83. The parallel market index decreased 0.1% to 19,252.3 points. The value traded stood at SAR 14.2mn (down 8.0% over previous day). Most sectors in the main market ended in the green. Insurance and Healthcare (up 1.7% and 1.2%, respectively) advanced the most; Food & Beverages and Consumer Durables (down 2.2% and 0.7%, respectively) led the laggards.

Top Gainers

Company	Price	Change%
ALKATHIRI	51.20	9.9
SAIC	27.15	5.9
ALHOKAIR GROUP	23.00	5.8
SAUDI RE	15.40	5.1
ALLIANZ SF	14.00	4.0

Top Losers

Company	Price	Change%
ALMARAI	53.00	-3.1
APC	41.50	-2.2
ATHEEB TELECOM	71.30	-2.1
SABIC	95.40	-2.1
ALRAJHI TAKAFUL	97.80	-2.0

Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	10,822	10,838	10,775	0.1	3.3
NomuC	19,252	19,270	19,208	-0.1	-0.8

TASI movement during session



TASI Ratios

P/E* (x)	18
Price-to-Book (x)	2.2
Dividend Yield (%)	1.8
Return on Equity (%)	27.7

*Source: Argaam (Excluding Aramco)

Index	Close	Daily Change%	YTD %	PE (TTM)
Energy	5,565	-0.5	2.5	11.9
Materials	6,769	-0.2	7.6	13.5
Capital Goods	5,757	-0.1	10.2	19
Commercial Service	3,576	1.0	4.1	30.9
Transportation	4,751	0.3	4.6	High
Consumer Durables	4,499	-0.7	6.5	Neg
Consumer Services	4,045	0.0	9.6	High
Media	23,037	0.5	7.2	24
Retailing	7,452	0.1	3.9	23
Food & Staples	9,231	0.4	8.1	20
Food & Beverages	4,771	-2.2	2.8	39.7
Healthcare	9,475	1.2	4.0	47
Pharma & Bio Tech	3,050	-0.4	6.2	Neg
Banks	11,685	0.6	1.2	16.1
Diversified Financial	6,245	-0.5	-1.8	7.1
Insurance	5,641	1.7	6.1	High
Telecom	6,573	-0.1	2.9	16.4
Utilities	7,299	-0.2	1.7	15.9
REITs	3,919	0.3	-1.4	21.6
Real Estate	2,644	0.7	5.8	High
Software & Services	36,631	0.3	2.1	31.6

Average Index Value

Average days 5	Average days 10	Average days 20	Average value traded for the month (bn)
10,783	10,740	10,672	3.85

Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	-	-	-
Previous week	17.9	611.90	1,322.50

Top Weighted Companies

Company	Price	Change%
Saudi Aramco	32.90	-0.6
Al Rajhi	80.90	1.4
SNB	48.25	0.1
SABIC	95.40	-2.1
STC	37.45	0.0



Regional and International Markets

- Among other regional markets, Dubai and Abu Dhabi decreased 0.8% and 2.6%, respectively. Kuwait and Oman increased 0.1 each, while, Qatar declined 0.5%. Bahrain closed flat meanwhile Egypt remained closed.
- According to EIA, oil inventories in the US increased 0.5mn barrels (prior: up 8.4mn) to 448.5mn in the week ended January 20. Gasoline inventories increased 1.8mn barrels (prior: up 3.5mn) to 232.0mn, while distillate inventories decreased 0.5mn barrels (prior: down 1.9mn) to 115.3mn. (Source: EIA, Econoday)
- According to Baker Hughes, North America's rig count increased to 1018 from 1012 earlier in the week ended January 27. The rig count in the US remained unchanged at 771 from 771 a week ago, however decreased to 13 from 16 in the Gulf of Mexico. The rig count in Canada increased to 247 from 241 in the week earlier. (Source: Baker Hughes)
- Oil prices declined 0.9% on Friday, as indications of strong Russian oil supply offset better-than-expected US economic growth figures and optimistic expectations for a quick recovery in Chinese demand.
- Gold prices remained flat on Friday, as stronger US dollar limited gold's gains while investors were awaiting US inflation data to gauge US Federal Reserve's rate hike stance.

Forex / Currency

Currency / USD	Close	Daily Change%	MTD %	YTD %
Dollar Index	101.93	0.1	-1.5	-1.5
Euro	1.09	-0.2	1.5	1.5
Japanese Yen	129.88	-0.3	-0.9	-0.9
Sterling Pound	1.24	-0.2	2.5	2.5
Chinese Yuan	6.76	0.3	-2.4	-2.4
Indian Rupee	81.52	-0.1	-1.5	-1.5
UAE Dirham	3.67	0.0	0.0	0.0
Qatari Rial	3.65	-0.0	-0.6	-0.6
Kuwaiti Dinar	0.31	0.0	-0.3	-0.3
Omani Rial	0.38	0.1	0.0	0.0
Bahraini Dinar	0.38	0.0	-0.0	-0.0
Egyptian Pound	29.89	-0.0	20.7	20.7

Corporate Calendar

Date	Company	Event
29 th Jan	CHEMICAL	Cash Dividend Distribution
29 th Jan	SPM	EGM
29 th Jan	ATAA	Cash Dividend Distribution
30 th Jan	Alinma Hospitality REIT	listing date
31 st Jan	SAUDI TOP	EGM
5 th Feb	SAUDI TOP	Cash Dividend Distribution

*EGM: Extra Ordinary Meeting

*OGM: Ordinary General Meeting

Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	3,329	-0.8	0.0	0.0	11.2
Abu Dhabi (ADX)	9,738	-2.6	-5.2	-5.2	17.8
Kuwait (KSE)	5,678	0.1	1.5	1.5	13.3
Qatar (QE)	11,110	-0.5	4.0	4.0	12
Oman (MSM)	4,751	0.1	-2.2	-2.2	11.8
Bahrain (BSE)	1,928	0.0	1.7	1.7	7.1
Egypt (EGX30)	16,791	0.0	15.0	15.0	7.7

International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	33,978	0.1	2.5	2.5	20.0
Nasdaq	12,167	1.0	11.2	11.2	26.6
S&P 500	4,071	0.2	6.0	6.0	19.7
FTSE 100	7,765	0.1	4.2	4.2	14.5
Germany DAX 30	15,150	0.1	8.8	8.8	14.1
France CAC 40	7,097	0.0	9.6	9.6	14.6
Japan Nikkei 225	27,383	0.1	4.9	4.9	18.5
Russia MOEX	2,189	1.0	1.6	1.6	3.7
Hong Kong Hang Seng	22,689	0.5	14.7	14.7	8.2
South Korea KOSPI	2,484	0.6	11.1	11.1	11.8
China Shanghai Composite	3,265	0.0	5.7	5.7	14.8
Australia ASX 200	7,494	0.3	6.5	6.5	15.2
India Sensex	59,331	-1.5	-2.5	-2.5	22.1
MSCI EM	1,051	-0.1	9.9	9.9	11.7
MSCI World	2,786	0.3	7.0	7.0	17.9

Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	88.07	1.9	4.5	4.5
Brent Crude (\$/bbl)	86.66	-0.9	0.9	0.9
Texas crude (\$/bbl)	79.68	-1.6	-0.7	-0.7
Natural Gas (\$/mmbtu)	2.85	0.0	-36.3	-36.3
Gold (\$/oz)	1,928.04	-0.1	5.7	5.7
Silver (\$/oz)	23.60	-1.3	-1.5	-1.5
Steel (\$/ton)	775.00	0.0	4.2	4.2
Iron Ore (CNY/MT)	871.00	0.0	1.6	1.6
Wheat (\$/bu)	750.00	-0.3	-5.3	-5.3
Corn (\$/bu)	683.00	0.1	0.7	0.7
Sugar (\$/lb)	20.96	1.4	4.6	4.6
SMP* (EUR/MT)	2,528.00	-0.3	-8.9	-8.9

*SMP: Skimmed Milk Powder

Interbank Rates

Region	Rate*	Daily Change(bps)	MTD (bps)	YTD (bps)
KSA (SAIBOR 1M)	4.97	0.1	24.4	24.4
KSA (SAIBOR 3M)	5.45	-4.9	11.2	11.2
KSA (SAIBOR 6M)	5.71	-0.3	11.5	11.5
KSA (SAIBOR 12M)	5.79	0.0	-8.5	-8.5
USD (LIBOR 3M)	4.83	2.3	5.8	5.8
UAE (EIBOR 3M)	4.77	0.5	45.9	45.9

Data Sources: Tadawul, Bloomberg, Reuters

Closes as of January 27, 2023

Technical observations	
Index	TASI
Ticker	SASEIDX Index
Last Close	10,822
Short-term view	Buy
52 weeks high/low	13,949 – 9,950

Market data	
Exchange Market Cap. (SAR bn)	10,197.0
Value (SAR mn)	3,711.5
Volume (mn)	125.9
Number of Transactions	285,977
Market Breadth	116 : 83

Key statistics	
1D return %	0.13%
MTD return %	3.28%
QTD return	3.28%
YTD return	3.28%
ADT vol. 3M* (mn)	147.9
ADT val. 3M (SARmn)	4,250.0

*ADT stands for Average Daily Traded

TASI market commentary

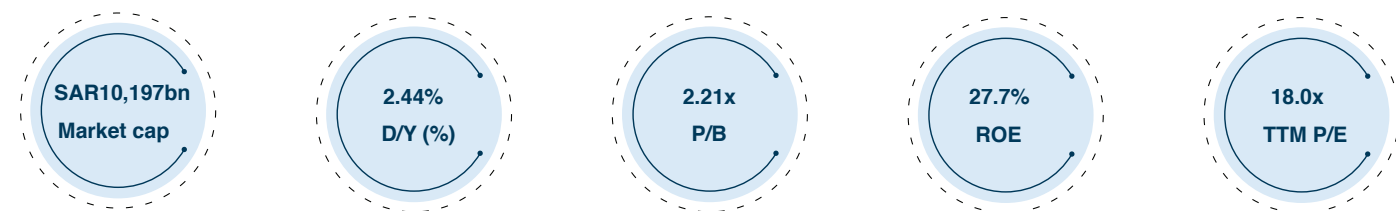
- The TASI rose on Thursday, primarily due to contrast between Index heavyweights Banks (0.58% D/D) and Telecommunication Services (-0.08% D/D) stocks. At close, the Saudi market ended the day with a change of 0.13% at 10,822. In terms of activity, total volumes and value traded were ~126mn and ~SAR 3.7bn respectively. The advance-decline ratio came in at 116/83.

Technical outlook

- TASI gained 13 points to close Thursday's trading session near the 10,822 mark. In the second session in a row, TASI started with initial dominance from bears and recorded an intraday low near 10,775 before bulls stepped in and recouped all of the index's losses. After bouncing off its 10-day SMA, the index is currently heading to test the level of 10,900 which represents a strong short-term resistance as it coincides with the upper boundary of a short-term rising channel and the level of the prior medium-term trough. Moreover, the RSI is still heading to test the upper boundary of its rising channel. The index has immediate resistance near the level of 10,900, which if breached, the index may continue toward the level of 10,960. On the flip side, immediate support is seen around the level of 10,800 followed by its 10-day SMA near the level of 10,740 which if breached, may continue declining toward the support of the 10,670 level that coincides with the 20-day SMA. Traders are advised to buy and keep track of a stop loss below the level of 10,650.

Key price levels

S3	S2	S1	Pivot	R1	R2	R3
10,450	10,670	10,740	10,800	10,900	10,960	11,025



Source: Bloomberg, Argam

TASI daily chart

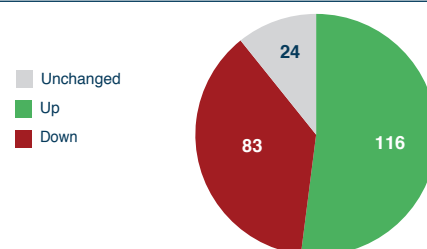


Source: Tradingview, Aljazira Capital

Our view



Market depth



SAUDI MARKET - TOP PICKS FOR THE DAY

Code	Company	Close*	Buy range	Target	Stop loss
6015	Americana Restaurants International PLC Co.	3.51	3.50	3.55	3.47
2001	Methanol Chemicals Company	26.90	26.83	27.17	26.63
4071	Arabian Contracting Services Co.	109.00	108.73	110.09	107.91
2090	National Gypsum Company	24.46	24.40	24.70	24.22
4061	Anaam International Holding Group	22.44	22.38	22.66	22.22
1832	Sadr Logistics Co.	36.50	36.41	36.87	36.14
4220	Emaar The Economic City	8.26	8.24	8.34	8.18
4050	Saudi Automotive Services Co.	35.70	35.61	36.06	35.34
4009	Middle East Healthcare Co.	27.80	27.73	28.08	27.52

* As of 26th January 2023

* Note – Stop loss is based on an intraday basis

CHARTS OF THE DAY

Technical observations

Americana cleared a declining trendline after bouncing off the lower band of a rising channel. Moreover, all the technical indicators show bullish structure.

Americana Restaurants International PLC Co. (Americana Restaurants)



Source: Tradingview, AlJazira Capital

Technical observations

Chemanol is testing a significant support level. Moreover, all the technical indicators show bullish structure.

Methanol Chemicals Company (Chemanol)



Source: Tradingview, AlJazira Capital

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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