



Major Economic News

- Saudi Arabia's Ministry of Foreign Affairs launched an electronic service to issue transit visas for passengers on stopovers. The new visa allows its holders a four-day (96-hour) stay in the Kingdom. It is valid for three months. The transit visa for stopovers allows entry to Saudi Arabia for people in transit who wish to perform Umrah, visit the Prophet's Mosque in Madinah, and tour the Kingdom. (Source: Argaam)
- Assets held by SAMA shrank by SAR 63.8bn M/M to SAR 1.9tn in December 2022. SAMA's investments in foreign securities, which make up 58.0% of its total assets, edged down 0.2% Y/Y to around SAR 1.1tn last month. (Source: Argaam)

Major Corporate News

- Saudi Aramco signed over 100 contracts and MoUs worth SAR 27.0bn to help advance a diverse, sustainable and globally competitive industrial ecosystem. (Source: Argaam)
- AIUla Development Co., which is wholly owned by PIF, has launched operations to support the development of the historic AIUla city. The planned developments include more than 7,500 hotel keys, 5,000 residential units, a staff village comprising more than 1,000 properties, a supporting infrastructure and more. (Source: Argaam)
- Foods Gate Trading Co. issued the prospectus to list 420,000 shares on Tadawul's Nomu-Parallel Market. The offered shares represent 20.0% of the company's total SAR 21.0mn capital. The offer period will run from March 12-16. (Source: Argaam)

Earnings update (Net Profit) (SAR mn)

Company	Q4-22	Q4-21	Y/Y %	Q3-22	Q/Q %
Bahri	578.1	92.0	528.5	269.9	114.2

Market Analysis

- The Saudi Stock Exchange decreased 0.3% to 10,810.7. The value traded stood at SAR 5.0bn (up 54.1% over previous day), while the advance-decline ratio stood at 69/135. The parallel market index decreased 0.1% to 19,151.1 points. The value traded stood at SAR 11.1mn (down 18.7% over previous day). Most sectors in the main market ended in the red. Software & Services and Food & beverages (up 2.2% and 1.3%, respectively) advanced the most; Media and Capital Goods (down 2.0% and 0.8%, respectively) led the laggards.

Top Gainers

Company	Price	Change%
CENOMI RETAIL	18.88	7.0
EAST PIPES	48.95	5.3
ALHAMMADI	48.00	4.4
ALKATHIRI	52.50	4.2
ALLIANZ SF	14.84	4.1

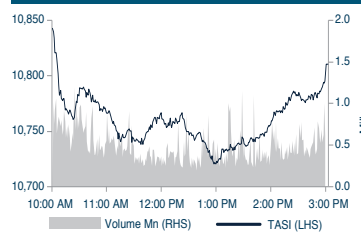
Top Losers

Company	Price	Change%
ALINMA HOSPITALITY	9.52	-4.8
HB	56.20	-2.8
YCC	37.25	-2.6
ACIG	11.40	-2.6
MULKIA REIT	7.71	-2.5

Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	10,811	10,843	10,720	-0.3	3.2
NomuC	19,151	19,190	19,069	-0.1	-1.4

TASI movement during session



TASI Ratios

P/E* (x)	17.8
Price-to-Book (x)	2.2
Dividend Yield (%)	1.8
Return on Equity (%)	27.6

*Source: Argaam (Excluding Aramco)

Index	Close	Daily Change%	YTD %	PE (TTM)
Energy	5,582	0.0	2.9	11.9
Materials	6,679	-0.6	6.2	13.4
Capital Goods	5,757	-0.8	10.1	18.9
Commercial Service	3,557	-0.5	3.5	30.8
Transportation	4,768	0.2	5.0	High
Consumer Durables	4,463	-0.1	5.6	Neg
Consumer Services	4,051	0.2	9.8	High
Media	22,424	-2.0	4.3	23.4
Retailing	7,454	0.0	3.9	23.1
Food & Staples	9,222	-0.1	8.0	19.9
Food & Beverages	4,869	1.3	4.9	40.6
Healthcare	9,449	0.4	3.7	46.5
Pharma & Bio Tech	3,021	-0.4	5.1	Neg
Banks	11,684	-0.7	1.2	16
Diversified Financial	6,157	-0.3	-3.2	7
Insurance	5,739	0.3	7.9	High
Telecom	6,573	0.0	2.9	16.3
Utilities	7,222	1.0	0.7	15.8
REITs	3,927	0.0	-1.2	22.9
Real Estate	2,684	0.1	7.4	High
Software & Services	37,449	2.2	4.3	32.3

Average Index Value

Average days 5	Average days 10	Average days 20	Average value traded for the month (bn)
10,815	10,760	10,698	3.87

Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	8.2	281.40	614.90
Previous week	17.9	611.90	1,322.50

Top Weighted Companies

Company	Price	Change%
Saudi Aramco	33.00	0.0
Al Rajhi	81.90	-0.4
SNB	47.20	-2.1
SABIC	94.40	-0.6
STC	37.45	-0.4



Regional and International Markets

- Among other regional markets, Dubai decreased 0.8%, while Abu Dhabi increased 0.7%. Egypt and Kuwait declined 2.2% and 0.5%, respectively while Qatar and Oman declined 0.3% each. Meanwhile Bahrain remained flat.
- US consumer sentiment came in at 64.9 in January (consensus: 64.6) as compared to 64.6 in December. (Source: Econoday)
- Eurozone consumer sentiment improved slightly to -20.9 in January (consensus: -20.9) as compared to prior revised -22.1. Meanwhile, economic sentiment improved to 99.9 in January (consensus: 96.7) as compared to 97.1. (Source: Econoday)
- Japan's unemployment rate held constant at 2.5% in December (consensus: 2.5%) from 2.5% in November. (Source: Econoday)
- Japan's industrial production declined 2.8% Y/Y in December (consensus: -3.9% Y/Y) as compared to 0.9% Y/Y. (Source: Econoday)
- Oil prices declined 2.0% due to concerns over interest rate hikes by the major central banks and Russian oil exports staying strong.
- Gold prices fell 0.3%, as US dollar and US treasury yields strengthened ahead of the US Federal Reserve's policy meeting.

Forex / Currency

Currency / USD	Close	Daily Change%	MTD %	YTD %
Dollar Index	102.28	0.3	-1.2	-1.2
Euro	1.09	-0.2	1.4	1.4
Japanese Yen	130.39	0.4	-0.6	-0.6
Sterling Pound	1.24	-0.2	2.2	2.2
Chinese Yuan	6.76	0.0	-2.4	-2.4
Indian Rupee	81.50	0.0	-1.5	-1.5
UAE Dirham	3.67	0.0	0.0	0.0
Qatari Rial	3.66	0.3	-0.3	-0.3
Kuwaiti Dinar	0.31	0.0	-0.3	-0.3
Omani Rial	0.38	-0.1	-0.1	-0.1
Bahraini Dinar	0.38	0.0	0.0	0.0
Egyptian Pound	30.03	0.5	21.3	21.3

Corporate Calendar

Date	Company	Event
31 st Jan	SAUDI TOP	EGM
31 st Jan	Q tech	Listing date
5 th Feb	SAUDI TOP	Cash Dividend Distribution
6 th Feb	SAUDI CABLE	EGM
8 th Feb	Allianz SF	EGM
12 th Feb	ACWA Power	EGM

*EGM: Extra Ordinary Meeting

*OGM: Ordinary General Meeting

Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	3,303	-0.8	-0.8	-0.8	10.4
Abu Dhabi (ADX)	9,802	0.7	-4.5	-4.5	17.9
Kuwait (KSE)	5,643	-0.5	0.8	0.8	13.3
Qatar (QE)	11,123	-0.3	4.1	4.1	12
Oman (MSM)	4,750	-0.3	-2.2	-2.2	11.8
Bahrain (BSE)	1,931	0.0	1.9	1.9	7.1
Egypt (EGX30)	17,027	-2.2	16.6	16.6	8

International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	33,717	-0.8	1.7	1.7	19.8
Nasdaq	11,912	-2.1	8.9	8.9	26.1
S&P 500	4,018	-1.3	4.6	4.6	19.5
FTSE 100	7,785	0.3	4.5	4.5	14.5
Germany DAX 30	15,126	-0.2	8.6	8.6	14.1
France CAC 40	7,082	-0.2	9.4	9.4	14.5
Japan Nikkei 225	27,433	0.2	5.1	5.1	18.3
Russia MOEX	2,204	0.7	2.3	2.3	3.7
Hong Kong Hang Seng	22,070	-2.7	11.6	11.6	7.8
South Korea KOSPI	2,450	-1.4	9.6	9.6	11.5
China Shanghai Composite	3,265	0.0	5.7	5.7	14.8
Australia ASX 200	7,482	-0.2	6.3	6.3	15.2
India Sensex	59,500	0.3	-2.2	-2.2	22.1
MSCI EM	1,044	-0.7	9.2	9.2	11.6
MSCI World	2,759	-1.0	6.0	6.0	17.8

Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	85.87	-2.5	1.9	1.9
Brent Crude (\$/bbl)	84.90	-2.0	-1.2	-1.2
Texas crude (\$/bbl)	77.90	-2.2	-2.9	-2.9
Natural Gas (\$/mmbtu)	2.68	-6.0	-40.2	-40.2
Gold (\$/oz)	1,923.17	-0.3	5.4	5.4
Silver (\$/oz)	23.60	0.0	-1.5	-1.5
Steel (\$/ton)	788.00	1.7	5.9	5.9
Iron Ore (CNY/MT)	897.00	3.0	4.7	4.7
Wheat (\$/bu)	752.50	0.3	-5.0	-5.0
Corn (\$/bu)	683.75	0.1	0.8	0.8
Sugar (\$/lb)	21.21	1.2	5.8	5.8
SMP* (EUR/MT)	2,520.00	-0.3	-9.2	-9.2

*SMP: Skimmed Milk Powder

Interbank Rates

Region	Rate*	Daily Change(bps)	MTD (bps)	YTD (bps)
KSA (SAIBOR 1M)	5.01	5.3	27.7	27.7
KSA (SAIBOR 3M)	5.49	3.2	15.4	15.4
KSA (SAIBOR 6M)	5.74	0.0	14.1	14.1
KSA (SAIBOR 12M)	5.80	-0.1	-7.4	-7.4
USD (LIBOR 3M)	4.83	0.0	5.8	5.8
UAE (EIBOR 3M)	4.60	-16.6	29.4	29.4

Data Sources: Tadawul, Bloomberg, Reuters
Closes as of January 30, 2023

Technical observations	
Index	TASI
Ticker	SASEIDX Index
Last Close	10,811
Short-term view	Cautious Buy
52 weeks high/low	13,949 – 9,950

Market data	
Exchange Market Cap. (SAR bn)	10,169.1
Value (SAR mn)	4,997.1
Volume (mn)	164.1
Number of Transactions	347,423
Market Breadth	69 : 135

Key statistics	
1D return %	-0.27%
MTD return %	3.17%
QTD return	3.17%
YTD return	3.17%
ADT vol. 3M* (mn)	148.3
ADT val. 3M (SARmn)	4,238.9

*ADT stands for Average Daily Traded

TASI market commentary

- The TASI declined on Monday, primarily due to weakness of Index heavyweights Banks (-0.66% D/D) and Materials (-0.64% D/D) stocks. At close, the Saudi market ended the day with a change of -0.27% at 10,811. In terms of activity, total volumes and value traded were ~164mn and ~SAR 4.0bn respectively. The advance-decline ratio came in at 69/135.

Technical outlook

- TASI lost 29 points to close Monday's trading session near the 10,811 mark. TASI started with dominance from bears who threw the index down to record an intraday low near 10,720 before bulls stepped in and tried to recoup most of the index's losses. In the last session the index developed a hanging man candle indicating that sellers come back to the scene along with approaching 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. However, a following bearish candle is still needed to confirm that bears fully dominated the short-term situation. Moreover, the RSI started to move down once testing 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 10,760 which if breached, may continue declining toward the support of the 10,700 level that coincides with the 20-day SMA. Traders are advised to cautiously 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	10,700	10,760	10,800	10,900	10,960	11,025



Source: Bloomberg, Argam

TASI daily chart



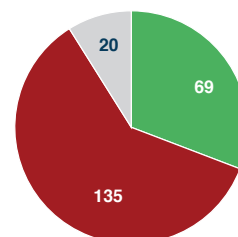
Source: Tradingview, Aljazira Capital

Our view



Market depth

Unchanged
Up
Down



SAUDI MARKET - TOP PICKS FOR THE WEEK

Code	Company	Close*	Buy range	Target 1	Target 2	Stop loss
4009	Middle East Healthcare Co.	27.70	27.40 – 27.70	28.30	29.20	27.00

*As of 30th January 2023

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

CHARTS OF THE WEEK

Technical observations

SAUDI GERMAN HEALTH finished a bullish reversal Head and Shoulders price pattern with confirming heavy volume and currently consolidating for a new upside move. Moreover, the RSI line cleared a declining trendline and still lies in bullish territory. We recommend buying the stock in a range of SAR 27.40 – 27.70, for a target of SAR 28.30 followed by SAR 29.20, with a stop loss below SAR 27.00 on a closing basis.

Middle East Healthcare Co. (SAUDI GERMAN HEALTH)



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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