



Major Economic News

- The total value of the projects that joined the Private Sector Partnership Reinforcement Center (Shareek) is nearly SAR 192.0bn in which the share of Shareek large companies reaches about SAR 120.0bn. The projects will contribute up to SAR 466.0bn to the Kingdom's GDP over the next two decades, with an economic multiplier of more than 2.43x. (Source: Argaam)

Major Corporate News

- SABIC presented a strategic project for the catalyst industry to transform Saudi Arabia into a hub for the specialty materials industry. The project will be a part of first wave of 'Shareek' projects. (Source: Argaam)
- Almarai Co. announced the inauguration of two new plants for poultry and baked goods in Hail province. It also launched a giant solar energy station serving the two plants. The third poultry plant will add 50mn birds to Almarai's total production capacity, to reach 250mn birds annually. (Source: Argaam)
- National Shipping Company of Saudi Arabia (Bahri) signed a non-binding MoU with the Suez Canal Authority (SCA) to establish an Egyptian joint-stock company for maritime transport. (Source: Argaam)
- Saudi Aramco completed the acquisition of the Valvoline Global Operations (VGP), the global products business of New-York listed Valvoline Inc., through one of its wholly-owned subsidiaries, for USD 2.6bn. (Source: Argaam)

Earnings update (Net Profit) (SAR mn)

Company	Q4-22	Q4-21	Y/Y %	Q3-22	Q/Q %
Taiba Investments Co.	41.9	-64.1	NM	42.8	-2.0
MARAFIQ	131.2	78.3	67.6	309.7	-57.6

Market Analysis

- The Saudi Stock Exchange increased 0.9% to 10,192.3. The value traded stood at SAR 4.1bn (down 39.1% over previous day), while the advance-decline ratio stood at 138/70. The parallel market index increased 0.1% to 19,216.9 points. The value traded stood at SAR 14.5mn (up 30.6% over previous day). Most sectors in the main market ended in the green. Media and Insurance (up 4.0% and 2.3%, respectively) advanced the most; Utilities and Food & Staples (down 1.5% and 1.1%, respectively) led the laggards.

Top Gainers

Company	Price	Change%
ANB	25.00	8.6
NASEEJ	43.75	7.8
RIBL	27.45	5.4
GACO	23.70	5.3
SABB	34.80	5.0

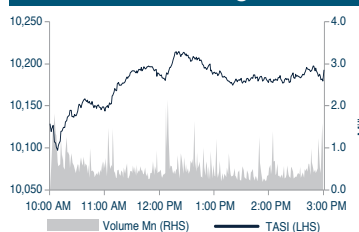
Top Losers

Company	Price	Change%
RETAL	122.40	-4.4
JOUF CEMENT	13.34	-4.0
ASTRA INDUSTRIAL	57.10	-3.9
NAHDI	181.00	-3.0
SABIC AGRI-NUTRIENT	129.60	-3.0

Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	10,192	10,216	10,095	0.9	-2.7
NomuC	19,217	19,331	19,146	0.1	-1.0

TASI movement during session



TASI Ratios

P/E* (x)	17.3
Price-to-Book (x)	2.1
Dividend Yield (%)	3
Return on Equity (%)	27.3

*Source: Argaam (Excluding Aramco)

Index	Close	Daily Change%	YTD %	PE (TTM)
Energy	5,348	-0.6	-1.5	11.4
Materials	6,275	-0.2	-0.2	12.5
Capital Goods	5,767	-0.3	10.3	19.5
Commercial Service	3,629	1.3	7.0	31.9
Transportation	5,061	2.0	11.4	High
Consumer Durables	4,287	1.8	1.5	Neg
Consumer Services	4,251	1.8	15.2	High
Media	22,871	4.0	6.4	24
Retailing	7,317	-0.8	2.0	22.5
Food & Staples	9,160	-1.1	7.2	19.6
Food & Beverages	4,746	1.2	2.3	39.6
Healthcare	9,348	1.2	2.6	46.5
Pharma & Bio Tech	2,910	1.9	1.3	Neg
Banks	10,543	2.2	-8.7	14.6
Diversified Financial	5,472	-0.6	-14.0	6.5
Insurance	5,974	2.3	12.4	High
Telecom	6,539	1.6	2.4	15.9
Utilities	6,657	-1.5	-7.2	13.8
REITs	3,761	0.0	-5.4	22
Real Estate	2,731	0.5	9.2	High
Software & Services	38,643	-0.5	7.7	33.1

Average Index Value

Average days 5	Average days 10	Average days 20	Average value traded for the month (bn)
10,099	10,275	10,409	3.9

Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	18.1	672.60	1,338.60
Previous week	14	507.00	1,147.90

Top Weighted Companies

Company	Price	Change%
Saudi Aramco	31.55	-0.8
Al Rajhi	72.10	2.6
SNB	47.00	-0.5
SABIC	89.10	0.7
STC	35.70	1.6



Regional and International Markets

- Among other regional markets, Dubai and Abu Dhabi increased 0.3% and 0.1%, respectively. Egypt and Oman increased 0.7% and 0.6%, respectively, while Kuwait declined 0.1%. Meanwhile, Qatar and Bahrain remained flat.
- According to EIA, oil inventories in the US increased 1.2mn barrels (prior: up 7.6mn) to 480.2mn in the week ended February 24. Gasoline inventories decreased 0.9mn barrels (prior: down 1.9mn) to 239.2mn, while distillate inventories increased 0.2mn barrels (prior: up 2.7mn) to 122.1. (Source: EIA, Econoday)
- US PMI manufacturing index edged lower to 47.3 in February (consensus: 47.8) as compared to 46.9 in January. (Source: Econoday)
- UK PMI manufacturing index improved to 49.3 in February (consensus: 49.2) as compared to 47.0 in January. (Source: Econoday)
- Eurozone PMI manufacturing index at 48.5 in January (consensus: 48.5) lower than 48.8 in December. (Source: Econoday)
- Oil prices edged up 0.5% as signs of ample supply such as rising US crude inventories was offset by rising expectations for higher demand following a surge in manufacturing in top crude importer, China.
- Gold rose 0.5%, as weaker US dollar after strong data from China improved the demand, but the risk of rising US interest rates limited gains.

Forex / Currency

Currency / USD	Close	Daily Change%	MTD %	YTD %
Dollar Index	104.48	-0.4	-0.4	0.9
Euro	1.07	0.9	0.9	-0.3
Japanese Yen	136.19	0.0	0.0	3.9
Sterling Pound	1.20	0.1	0.1	-0.4
Chinese Yuan	6.88	-1.1	-1.1	-0.6
Indian Rupee	82.51	-0.2	-0.2	-0.3
UAE Dirham	3.67	0.0	0.0	0.0
Qatari Rial	3.66	-0.2	-0.2	-0.3
Kuwaiti Dinar	0.31	-0.1	-0.1	0.3
Omani Rial	0.38	0.0	0.0	0.0
Bahraini Dinar	0.38	0.0	0.0	0.0
Egyptian Pound	30.63	0.0	0.0	23.7

Corporate Calendar

Date	Company	Event
2 nd Mar	Bena Steel Industries	End of IPO
2 nd Mar	A.Othaim Market	Cash Dividend Distribution
2 nd Mar	Knowledge Net	End of IPO
2 nd Mar	Waja	Surplus refund date
5 th Mar	Horizon Food	Start of IPO
7 th Mar	Bena Steel Industries	Final allocation date

*EGM: Extra Ordinary Meeting

*OGM: Ordinary General Meeting

Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	3,447	0.3	0.3	3.6	9.2
Abu Dhabi (ADX)	9,854	0.1	0.1	-4.0	16.5
Kuwait (KSE)	5,544	-0.1	-0.1	-0.9	13
Qatar (QE)	10,572	0.0	0.0	-1.0	11.7
Oman (MSM)	4,781	0.6	0.6	-1.6	11.4
Bahrain (BSE)	1,932	0.0	0.0	1.9	8.2
Egypt (EGX30)	17,123	0.7	0.7	17.3	6.9

International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	32,662	0.0	0.0	-1.5	19.1
Nasdaq	11,939	-0.9	-0.9	9.1	26.3
S&P 500	3,951	-0.5	-0.5	2.9	18.9
FTSE 100	7,915	0.5	0.5	6.2	11.3
Germany DAX 30	15,305	-0.4	-0.4	9.9	13.0
France CAC 40	7,234	-0.5	-0.5	11.7	12.6
Japan Nikkei 225	27,517	0.3	0.3	5.4	22.6
Russia MOEX	2,280	1.2	1.2	5.8	2.3
Hong Kong Hang Seng	20,620	4.2	4.2	4.2	12.2
South Korea KOSPI	2,413	0.0	0.0	7.9	11.6
China Shanghai Composite	3,312	1.0	1.0	7.2	14.5
Australia ASX 200	7,252	-0.1	-0.1	3.0	14.7
India Sensex	59,411	0.8	0.8	-2.3	22.4
MSCI EM	984	2.1	2.1	2.9	12.0
MSCI World	2,707	-0.3	-0.3	4.0	17.1

Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	83.63	0.2	0.2	-0.7
Brent Crude (\$/bbl)	84.31	0.5	0.5	-1.9
Texas crude (\$/bbl)	77.69	0.8	0.8	-3.2
Natural Gas (\$/mmbtu)	2.81	2.3	2.3	-28.2
Gold (\$/oz)	1,836.72	0.5	0.5	0.7
Silver (\$/oz)	20.99	0.4	0.4	-12.4
Steel (\$/ton)	1,028.00	-2.5	-2.5	38.2
Iron Ore (CNY/MT)	945.50	3.1	3.1	10.3
Wheat (\$/bu)	710.00	0.6	0.6	-11.1
Corn (\$/bu)	635.75	0.9	0.9	-6.2
Sugar (\$/lb)	20.57	2.5	2.5	9.9
SMP* (EUR/MT)	2,604.00	0.3	0.3	-6.2

*SMP: Skimmed Milk Powder

Interbank Rates

Region	Rate*	Daily Change(bps)	MTD (bps)	YTD (bps)
KSA (SAIBOR 1M)	5.23	-2.1	-2.1	49.8
KSA (SAIBOR 3M)	5.56	-2.1	-2.1	22.0
KSA (SAIBOR 6M)	5.77	0.6	0.6	17.4
KSA (SAIBOR 12M)	5.82	-1.9	-1.9	-5.4
USD (LIBOR 3M)	4.97	0.0	0.9	20.4
UAE (EIBOR 3M)	4.77	0.0	-13.1	45.7

Data Sources: Tadawul, Bloomberg, Reuters
Closes as of March 1, 2023

Technical observations	
Index	TASI
Ticker	SASEIDX Index
Last Close	10,192
Short-term view	Buy
52 weeks high/low	13,949 – 9,931

Market data	
Exchange Market Cap. (SAR bn)	9,692.0
Value (SAR mn)	4,132.7
Volume (mn)	168.6
Number of Transactions	319,482
Market Breadth	138 : 70

Key statistics	
1D return %	0.89%
MTD return %	0.89%
QTD return	-2.73%
YTD return	-2.73%
ADT vol. 3M* (mn)	160.9
ADT val. 3M (SARmn)	3,917.9

*ADT stands for Average Daily Traded

TASI market commentary

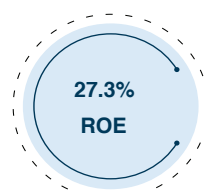
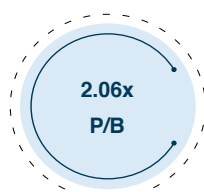
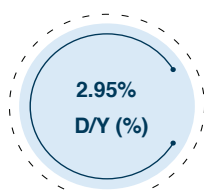
- The TASI rose on Wednesday, primarily due to strength in Index heavyweights Banks (2.22% D/D) and Telecommunication Services (1.60% D/D) stocks. At close, the Saudi market ended the day with a change of 0.89% at 10,192. In terms of activity, total volumes and value traded were ~169mn and ~SAR 4.1bn respectively. The advance-decline ratio came in at 138/70.

Technical outlook

- TASI gained 90 points to close Wednesday's trading session near the 10,192 mark. The index witnessed a resumption of heavy buying activity which drove it to close near the intraday high. TASI developed another powerful green candle resuming the way toward the level of 38.2% retracement of the prior short-term move and the 10-day SMA near the zone of 10,275 / 10,285. The RSI indicator records higher readings after bouncing off its significant level inside its oversold zone where frequent previous reversals started. The index has immediate resistance near the level of 10,285, which if penetrated, the index may continue toward the level of 10,365 which coincides with the prior short-term trough. On the flip side, immediate support is seen around the level of 10,150, which if breached, the index may continue toward the level of 10,050. Traders are advised to keep buying and book some profits near the strong resistance level of the prior trough near 10,365 and keep track of a stop loss by a weekly close below 9,950.

Key price levels

S3	S2	S1	Pivot	R1	R2	R3
9,790	9,950	10,050	10,150	10,285	10,365	10,425



Source: Bloomberg, Argam

TASI daily chart



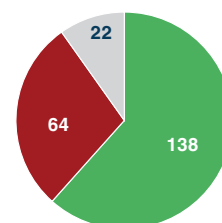
Source: Tradingview, Aljazira Capital

Our view



Market depth

Unchanged
Up
Down



SAUDI MARKET - TOP PICKS FOR THE WEEK

Code	Company	Close*	Buy range	Target 1	Target 2	Reward %	Stop loss
1820	Abdulmohsen Alhokair Group	23.10	22.90 – 23.10	24.15	24.85	7.58%	22.30
6004	Saudi Airlines Catering Company	80.40	79.60 – 80.40	82.35	84.40	4.98%	78.60

*As of 1st March 2023

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

CHARTS OF THE WEEK

Technical observations

ALHOKAIR GROUP penetrated its 10-day SMA after bouncing off the neckline of a completed double bottom price pattern. Moreover, the RSI indicator shows a bullish structure which confirms the price action. We recommend buying the stock in a range of SAR22.90 – 23.10, for a target of SAR24.15 followed by SAR24.85, with a stop loss below SAR22.30 on a closing basis.

Abdulmohsen Alhokair Group (ALHOKAIR GROUP)



Source: Tradingview, AlJazira Capital

Technical observations

Catering penetrated the upper boundary of a long-term declining channel with a confirming heavy volume. Moreover, the RSI line shows a bullish structure which confirms the price action. We recommend buying the stock in a range of SAR79.60 – 80.40, for a target of SAR82.35 followed by SAR84.40, with a stop loss below SAR78.60 on a closing basis.

Saudi Airlines Catering Company (Catering)



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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