



## Major Economic News

- Saudi Arabia imported SAR 6.7bn worth of commodities from the GCC countries, up 21% Y/Y in December 2022. UAE accounted for 66%, or SAR 4.4bn of the GCC total exports to Saudi Arabia, up 27% Y/Y in December. (Source: Argam)
- Consumer spending in Saudi Arabia increased 8% Y/Y to SAR 105.2bn in January 2023, from SAR 97.6bn a year earlier. (Source: Argam)

## Major Corporate News

- Yanbu National Petrochemical Co. (Yansab) completed its complex turnaround activities and began gradual operations ahead of schedule. Preventive maintenance is expected to cost SAR 385 million and will be implemented in Q1-23 or Q2-23. (Source: Argam)
- National Shipping Company of Saudi Arabia signed a SAR 1.53 billion agreement with Private Sector Partnership Reinforcement Program "Shareek".
- Perfect Presentation for Commercial Services Co. (2P) signed a SAR 36.8mn contract with Saudi Data and Artificial Intelligence Authority (SDAIA). (Source: Argam)
- Sadr Logistics Co. renewed of a three-year lease contract with Al Morabitoun Al Khaleejiah Company Ltd. at a total value of SAR 31.1 mn. (Source: Argam)

## Earnings update (Net Profit) (SAR mn)

Company	Q4-22	Q4-21	Y/Y %	Q3-22	Q/Q %
CARE	55.4	36.7	51.0	42.6	30.1
FITNESS TIME	107.2	85.9	24.8	68.1	57.5
BAWAN	29.8	44.6	-33.1	38.1	-21.8
ELM	212.1	110.3	92.4	273.4	-22.4

## Market Analysis

- The Saudi Stock Exchange increased 0.8% to 10,277.8 on Thursday. The value traded stood at SAR 5.1bn (up 24.1% over previous day), while the advance-decline ratio stood at 127/87. The parallel market index decreased 0.5% to 19,120.3 points. The value traded stood at SAR 76.8mn (up 428.6% over previous day). Most sectors in the main market ended in the green. Capital Goods and Banks (up 1.6% each) advanced the most; Food & Staples and Software and Services (down 1.7% and 1.1%, respectively) led the laggards.

## Top Gainers

Company	Price	Change%
THIMAR	18.92	10.0
ALBAHA	13.56	6.3
ZAIN KSA	10.76	4.5
BSFR	35.25	3.5
SABB	36.00	3.5

## Top Losers

Company	Price	Change%
MARAFIQ	51.00	-3.0
NAHDI	175.60	-3.0
SAPTCO	16.54	-2.7
GACO	23.12	-2.5
ARABIAN DRILLING	138.00	-2.1

## Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	10,278	10,331	10,235	0.8	-1.9
NomuC	19,120	19,259	19,020	-0.5	-1.5

## TASI movement during session



## TASI Ratios

P/E* (x)	17.4
Price-to-Book (x)	2.1
Dividend Yield (%)	2.9
Return on Equity (%)	27.3

\*Source: Argam (Excluding Aramco)

Index	Close	Daily Change%	YTD %	PE (TTM)
Energy	5,380	0.6	-0.9	11.5
Materials	6,296	0.3	0.1	12.5
Capital Goods	5,862	1.6	12.2	19.8
Commercial Service	3,629	0.5	7.5	32
Transportation	5,027	-0.7	10.7	High
Consumer Durables	4,294	0.2	1.6	Neg
Consumer Services	4,276	0.6	15.9	High
Media	22,707	-0.7	5.6	23.9
Retailing	7,432	1.6	3.6	22.8
Food & Staples	9,000	-1.7	5.4	19.2
Food & Beverages	4,729	-0.4	1.9	39.5
Healthcare	9,413	0.7	3.3	47
Pharma & Bio Tech	2,908	-0.1	1.2	Neg
Banks	10,715	1.6	-7.2	14.8
Diversified Financial	5,510	0.7	-13.4	6.5
Insurance	5,942	-0.5	11.7	High
Telecom	6,574	0.5	2.9	16
Utilities	6,714	0.8	-6.4	13.8
REITs	3,786	0.7	-4.8	22.2
Real Estate	2,745	0.5	9.8	High
Software & Services	38,233	-1.1	6.5	32.7

## Average Index Value

Average days 5	Average days 10	Average days 20	Average value traded for the month (bn)
10,124	10,245	10,383	3.88

## Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	-	-	-
Previous week	23.2	844.00	1,661.90

## Top Weighted Companies

Company	Price	Change%
Saudi Aramco	31.75	0.6
Al Rajhi	73.70	2.2
SNB	46.60	-0.9
SABIC	90.40	1.5
STC	35.95	0.7



## Regional and International Markets

- Among other regional markets, Dubai decreased 0.5%, while Abu Dhabi increased 0.4%. Oman, Qatar and Kuwait increased 0.8%, 0.5% and 0.3%, respectively. Egypt and Bahrain declined 1.6% and 0.1%, respectively.
- The ISM PMI non-manufacturing index compiled by the Institute of Supply Management inched down to 55.1 from 55.2 in January but remained well above the 50 level that typically separates growth from contraction. (Source: Investing)
- Oil prices recovered from a brief sell-off to gain by more \$1 per barrel on Friday and ended the week higher, driven by renewed optimism around demand from top oil importer China. Brent crude futures rose \$1.08, or 1.3%, to settle at \$85.83 a barrel. U.S. West Texas Intermediate (WTI) crude futures settled at \$79.68 a barrel, up by \$1.52, or 1.9%.. (Source: Reuters)
- Underlying inflation in the euro zone will stay high in the near term so a 50 basis point European Central Bank interest rate increase later this month is increasingly certain, ECB President Christine Lagarde told Spanish media group Vocento. (Investing)
- China set a modest target for economic growth this year of around 5% on Sunday as it kicked off the annual session of its National People's Congress (NPC), which is poised to implement the biggest government shake-up in a decade. (Reuters)

## Forex / Currency

Currency / USD	Close	Daily Change%	MTD %	YTD %
Dollar Index	104.52	-0.5	-0.3	1.0
Euro	1.06	0.4	0.6	-0.7
Japanese Yen	135.87	-0.7	-0.2	3.6
Sterling Pound	1.20	0.8	0.1	-0.4
Chinese Yuan	6.90	-0.4	-0.9	-0.4
Indian Rupee	81.97	-0.8	-0.8	-0.9
UAE Dirham	3.67	0.0	0.0	0.0
Qatari Rial	3.65	-0.1	-0.2	-0.4
Kuwaiti Dinar	0.31	0.0	0.0	0.3
Omani Rial	0.38	0.1	0.0	0.0
Bahraini Dinar	0.38	0.0	0.0	0.0
Egyptian Pound	30.77	0.2	0.5	24.3

## Corporate Calendar

Date	Company	Event
5 <sup>th</sup> Mar	Horizon Food	Start of IPO
7 <sup>th</sup> Mar	Bena Steel Industries	Final allocation date
7 <sup>th</sup> Mar	YANSAB	Eligibility of Cash Dividend
7 <sup>th</sup> Mar	Knowledge Net	Final allocation date
8 <sup>th</sup> Mar	Atheeb Telecom	EGM
8 <sup>th</sup> Mar	Marafiq	Eligibility of Cash Dividend

\*EGM: Extra Ordinary Meeting

\*OGM: Ordinary General Meeting

## Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	3,420	-0.5	-0.5	2.5	9.2
Abu Dhabi (ADX)	9,907	0.4	0.6	-3.0	18.5
Kuwait (KSE)	5,561	0.3	0.2	-0.6	13
Qatar (QE)	10,622	0.5	0.5	-0.6	11.7
Oman (MSM)	4,821	0.8	1.4	-0.8	11.4
Bahrain (BSE)	1,930	-0.1	-0.1	1.8	8.2
Egypt (EGX30)	16,847	-1.6	-0.9	15.4	7

## International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	33,391	1.2	2.2	0.7	19.9
Nasdaq	12,291	2.0	2.1	12.3	27.2
S&P 500	4,046	1.6	1.9	5.4	19.4
FTSE 100	7,947	0.0	0.9	6.6	10.7
Germany DAX 30	15,578	1.6	1.4	11.9	11.8
France CAC 40	7,348	0.9	1.1	13.5	12.8
Japan Nikkei 225	27,927	1.6	1.8	7.0	22.9
Russia MOEX	2,272	0.8	0.8	5.5	2.3
Hong Kong Hang Seng	20,568	0.7	4.0	4.0	12.2
South Korea KOSPI	2,432	0.2	0.8	8.7	11.8
China Shanghai Composite	3,328	0.5	1.5	7.7	14.5
Australia ASX 200	7,284	0.4	0.3	3.5	14.8
India Sensex	59,809	1.5	1.4	-1.7	22.6
MSCI EM	988	0.8	2.5	3.3	12.2
MSCI World	2,758	1.4	1.6	6.0	17.2

## Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	85.14	0.0	2.0	1.1
Brent Crude (\$/bbl)	85.83	1.3	2.3	-0.1
Texas crude (\$/bbl)	79.68	1.9	3.4	-0.7
Natural Gas (\$/mmbtu)	3.01	8.8	9.5	-23.2
Gold (\$/oz)	1,856.48	1.1	1.6	1.8
Silver (\$/oz)	21.26	1.7	1.7	-11.2
Steel (\$/ton)	1,050.00	0.1	-0.4	41.1
Iron Ore (CNY/MT)	954.00	-0.5	4.0	11.3
Wheat (\$/bu)	708.75	-0.6	0.5	-11.3
Corn (\$/bu)	639.75	0.9	1.5	-5.6
Sugar (\$/lb)	20.92	3.0	4.2	11.8
SMP* (EUR/MT)	2,635.00	0.0	1.5	-5.1

\*SMP: Skimmed Milk Powder

## Interbank Rates

Region	Rate*	Daily Change(bps)	MTD (bps)	YTD (bps)
KSA (SAIBOR 1M)	5.26	2.8	0.7	52.6
KSA (SAIBOR 3M)	5.49	-7.0	-9.1	15.0
KSA (SAIBOR 6M)	5.77	-0.2	0.4	17.1
KSA (SAIBOR 12M)	5.82	0.9	-1.0	-4.5
USD (LIBOR 3M)	4.99	0.5	2.3	21.8
UAE (EIBOR 3M)	4.80	5.2	-10.1	48.7

Data Sources: Tadawul, Bloomberg, Reuters  
Closes as of March 2, 2023



Technical observations	
Index	TASI
Ticker	SASEIDX Index
Last Close	10,278
Short-term view	Cautious Buy
52 weeks high/low	13,949 – 9,931

Market data	
Exchange Market Cap. (SAR bn)	9,754.3
Value (SAR mn)	5,127.0
Volume (mn)	171.4
Number of Transactions	323,236
Market Breadth	127 : 87

Key statistics	
1D return %	0.84%
MTD return %	1.73%
QTD return	-1.92%
YTD return	-1.92%
ADT vol. 3M* (mn)	161.8
ADT val. 3M (SARmn)	3,942.0

\*ADT stands for Average Daily Traded

### TASI market commentary

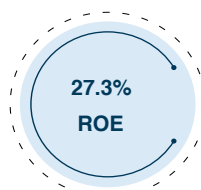
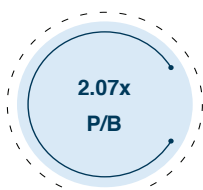
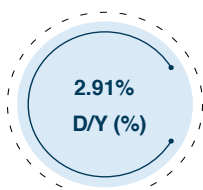
- The TASI rose on Thursday, primarily due to strength in Index heavyweights Banks (1.63% D/D) and Energy (0.61% D/D) stocks. At close, the Saudi market ended the day with a change of 0.84% at 10,278. In terms of activity, total volumes and value traded were ~171mn and ~SAR 5.1bn respectively. The advance-decline ratio came in at 127/87.

### Technical outlook

- TASI gained 86 points to close Thursday's trading session near the 10,278 mark. The index started with an upside opening gap and resumed the way up to record an intraday high near 10,331 before profit-booking action halted the index's advance. Although TASI started to face some profit-booking once reached the level of 38.2% retracement of the prior short-term as well as approaching its 20-day SMA and the resistance of the prior short-term trough near the zone of 10,285 / 10,365, it developed a Three White Soldiers candlesticks pattern which suggests resuming the way up after the end of the current profit-booking behavior. The RSI indicator cleared a declining trendline after getting out of the oversold zone confirming the index's bullish move. The index has immediate resistance near the level of 10,285, which if penetrated, the index may continue toward the level of 10,365. On the flip side, immediate support is seen around the level of 10,200, which if breached, the index may continue toward the level of 10,050. Traders are advised to book some profits near the strong resistance level of 10,365 as well as exploit the index's dips for buying and keep track of a stop loss by a weekly close below 10,050.

### Key price levels

S3	S2	S1	Pivot	R1	R2	R3
9,790	9,950	10,050	10,200	10,285	10,365	10,425



Source: Bloomberg, Argam

### TASI daily chart

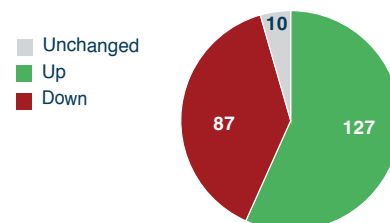


Source: Tradingview, Aljazira Capital

### Our view



### Market depth





## SAUDI MARKET - TOP PICKS FOR THE DAY

Code	Company	Close*	Buy range	Target	Stop loss
7030	Mobile Telecommunication Company Saudi Arabia	10.76	10.75 – 10.76	10.85	10.65
2040	Saudi Ceramic Co.	30.95	30.85 – 30.95	31.25	30.65
1302	Bawan Company	30.30	30.20 – 30.30	30.60	30.00
6010	National Agricultural Development Co.	24.50	24.45 – 24.50	24.75	24.25
4009	Middle East Healthcare Co.	34.50	34.40 – 34.50	34.85	34.15
6004	Saudi Airlines Catering Company	80.30	80.10 – 80.30	81.10	79.50
4190	Jarir Marketing Co.	149.80	149.40 – 149.80	151.30	148.30

\*As of 2<sup>nd</sup> March 2023

\*Note – Stop loss is based on an intraday basis

## CHARTS OF THE DAY

## Technical observations

**ZAIN** penetrated a short-term declining trendline as well as the prior peak with heavy volume. Moreover, all the technical indicators show bullish structure.

## Mobile Telecommunication Company Saudi Arabia ( ZAIN KSA)



Source: Tradingview, AlJazira Capital

## Technical observations

**Saudi Ceramics** bounced off the lower boundary of a short-term rising channel and penetrated its 10&20-day SMAs. Moreover, the RSI shows a bullish structure.

## Saudi Ceramic Co. (Saudi Ceramics)



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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