



## Major Economic News

- The number of bank branches in Saudi Arabia reached 1,927 by the end of FY22, down 18 branches, from 1,945 a year earlier. A total of 22 new branches opened last year, while 40 were closed. (Source: Argaam)
- Saudi Arabia posted a trade surplus of SAR 149.4bn in Q4-22. Total exports rose 6% Y/Y in Q4-22 to SAR 342.4bn. Meanwhile, imports increased by 30% Y/Y to SAR 193.0bn during the same period. (Source: Argaam)

## Major Corporate News

- Saudi Aramco plans to increase its sustainable maximum production capacity to 13mn bpd from 12mn bpd in order to undertake global projects are proceeding as planned. The first stage of production expansion projects will begin in FY24, gradually increasing to the target level by FY25 (Source: Argaam)
- Saudi Aramco won tenders to supply petroleum products to Kenya under the East African nation's plan to nationalize oil imports. (Source: Argaam)
- Naba Alsaha Medical Services Co. signed an agreement with Al-Kayan Technical Arabian Contracting Company, to implement the civil and structural works for its hospital in Riyadh at a value of SAR 49.4mn. (Source: Argaam)
- Takween Advanced Industries Co.'s board of directors recommended a capital reduction of 48.4%, followed by a capital increase of 61.2% via a rights issue. (Source: Argaam)

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

Company	Q4-22	Q4-21	Y/Y %	Q3-22	Q/Q %
TAKWEEN	-113.1	-31.3	NM	-21.9	NM
SHL	15.8	20.1	-21.1	16.4	-3.3

## Market Analysis

- The Saudi Stock Exchange decreased 0.8% to 10,305.1. The value traded stood at SAR 4.8bn (up 40.2% over previous day), while the advance-decline ratio stood at 65/139. The parallel market index increased 0.4% to 19,037.6 points. The value traded stood at SAR 37.5mn (up 125.2% over previous day). Most sectors in the main market ended in the red. Pharma & Bio Tech and Software & Services (up 5.3% and 1.3%, respectively) advanced the most; Commercial Services and Banks (down 2.3% and 2.0%, respectively) led the laggards.

## Top Gainers

Company	Price	Change%
JABAL OMAR	20.12	5.5
SPIMACO	23.78	5.3
SPM	27.90	3.3
MOUWASAT	198.00	3.2
SACO	29.80	3.1

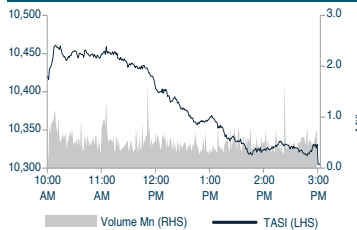
## Top Losers

Company	Price	Change%
ANB	24.90	-5.9
DAR ALARKAN	13.80	-4.3
ZAIN KSA	10.80	-3.9
MEPCO	30.85	-3.6
WAFRAH	32.75	-3.4

## Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	10,305	10,463	10,305	-0.8	-1.7
NomuC	19,038	19,074	18,813	0.4	-2.0

## 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

\*Source: Argaam (Excluding Aramco)

Index	Close	Daily Change%	YTD %	PE (TTM)
Energy	5,584	0.4	2.9	11.9
Materials	6,316	-0.2	0.4	12.6
Capital Goods	5,782	-1.1	10.6	19.6
Commercial Service	3,629	-2.3	7.1	31.9
Transportation	5,147	0.9	13.3	High
Consumer Durables	4,275	-0.3	1.2	Neg
Consumer Services	4,402	0.6	19.3	High
Media	22,148	-1.1	3.0	23.3
Retailing	7,193	-0.4	0.3	22.2
Food & Staples	9,254	-0.6	8.3	19.9
Food & Beverages	4,840	-0.5	4.3	40.4
Healthcare	9,701	0.1	6.5	48.2
Pharma & Bio Tech	3,137	5.3	9.2	Neg
Banks	10,468	-2.0	-9.3	14.4
Diversified Financial	5,449	-0.9	-14.3	6.5
Insurance	5,928	-0.5	11.5	High
Telecom	6,710	-1.1	5.0	16.5
Utilities	6,709	-0.5	-6.5	13.9
REITs	3,792	0.0	-4.6	22.2
Real Estate	2,841	1.1	13.6	High
Software & Services	39,607	1.3	10.4	33.9

## Average Index Value

Average days 5	Average days 10	Average days 20	Average value traded for the month (bn)
10,407	10,347	10,347	4.19

## Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	8.2	303.40	634.40
Previous week	20.2	749.20	1,523.30

## Top Weighted Companies

Company	Price	Change%
Saudi Aramco	32.95	0.5
Al Rajhi	72.60	-1.5
SNB	44.60	-2.8
SABIC	91.50	0.5
STC	37.35	-1.2

## Regional and International Markets

- Among other regional markets, Dubai and Abu Dhabi decreased 0.9% and 0.7%, respectively. Oman increased 0.7%, while Egypt, Qatar, Kuwait and Bahrain declined 3.1%, 1.5%, 0.5%, and 0.1%, respectively.
- Despite US president, Joe Biden's vow to take necessary actions to ensure safety of US banking system after collapse of Silicon Valley Bank, bank stocks around the world plummeted. Major US banks lost USD 70.0bn in stock market value. (Source: Reuters)
- US expectations of near-term inflation expectation fell close to two-year low in February, potentially relieving pressure on the Federal Reserve to raise interest rates. Inflation is expected to be 4.2% a year from now and 2.7% three years from now. While five years from now, inflation is expected to be 2.6%, up from 2.5% in January. (Source: Reuters)
- The money supply in China grew at the quickest rate in over 7 years in February. Total social finance growth surged to 9.9% Y/Y in February and up from 9.4% Y/Y in January. The broad M2 money supply increased 12.9% Y/Y while banks made fresh loans totaling CNY 1.81tn. (Source: Reuters)
- Oil prices fell 2.4%, due to worries that the failure of Silicon Valley Bank may have long-term effects on the US banking industry and raised fresh concerns on economic crisis.
- Gold prices rose 2.4%, on hopes of less aggressive interest rate hikes by US Federal Reserve after collapse of two US regional banks.

## Forex / Currency

Currency / USD	Close	Daily Change%	MTD %	YTD %
Dollar Index	103.60	-0.9	-1.2	0.1
Euro	1.07	0.8	1.5	0.2
Japanese Yen	133.21	-1.3	-2.2	1.6
Sterling Pound	1.22	1.3	1.3	0.8
Chinese Yuan	6.85	-1.3	-1.5	-1.0
Indian Rupee	82.13	0.1	-0.7	-0.7
UAE Dirham	3.67	0.0	0.0	0.0
Qatari Rial	3.66	0.0	-0.2	-0.4
Kuwaiti Dinar	0.31	-0.2	-0.1	0.2
Omani Rial	0.38	0.0	0.0	0.0
Bahraini Dinar	0.38	0.0	0.0	0.0
Egyptian Pound	30.90	0.0	0.9	24.8

## Corporate Calendar

Date	Company	Event
14 <sup>th</sup> Mar	Saudi Ceramics	Eligibility for Cash Dividend
14 <sup>th</sup> Mar	Saudi Aramco	Eligibility for Cash Dividend
14 <sup>th</sup> Mar	FITNESS TIME	Eligibility for Cash Dividend
14 <sup>th</sup> Mar	Horizon Food	Final allocation date
14 <sup>th</sup> Mar	AlAhi REIT 1	Eligibility for Cash Dividend
14 <sup>th</sup> Mar	Jadwa REIT Saudi	Eligibility for Cash Dividend

\*EGM: Extra Ordinary Meeting

\*OGM: Ordinary General Meeting

## Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	3,354	-0.9	-2.4	0.8	9.0
Abu Dhabi (ADX)	9,758	-0.7	-0.9	-5.0	16.5
Kuwait (KSE)	5,469	-0.5	-1.4	-2.3	12.4
Qatar (QE)	10,408	-1.5	-1.5	-2.6	11.5
Oman (MSM)	4,894	0.7	3.0	0.8	11.6
Bahrain (BSE)	1,909	-0.1	-1.2	0.7	8.1
Egypt (EGX30)	15,439	-3.1	-9.2	5.8	6.3

## International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	31,819	-0.3	-2.6	-4.0	18.9
Nasdaq	11,923	0.8	-1.0	9.0	26.4
S&P 500	3,856	-0.2	-2.9	0.4	18.5
FTSE 100	7,549	-2.6	-4.2	1.3	10.5
Germany DAX 30	14,959	-3.0	-2.6	7.4	11.8
France CAC 40	7,012	-2.9	-3.5	8.3	12.3
Japan Nikkei 225	27,833	-1.1	1.4	6.7	22.8
Russia MOEX	2,269	-0.3	0.7	5.4	2.7
Hong Kong Hang Seng	19,696	1.9	-0.5	-0.4	11.7
South Korea KOSPI	2,411	0.7	-0.1	7.8	11.8
China Shanghai Composite	3,269	1.2	-0.3	5.8	14.3
Australia ASX 200	7,109	-0.5	-2.1	1.0	11.7
India Sensex	58,238	-1.5	-1.2	-4.3	22.0
MSCI EM	962	0.7	-0.3	0.5	11.8
MSCI World	2,644	-0.5	-2.6	1.6	16.9

## Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	82.43	0.4	-1.2	-2.1
Brent Crude (\$/bbl)	80.77	-2.4	-3.7	-6.0
Texas crude (\$/bbl)	74.80	-2.5	-2.9	-6.8
Natural Gas (\$/mmbtu)	2.61	7.2	-5.1	-33.5
Gold (\$/oz)	1,913.70	2.4	4.8	4.9
Silver (\$/oz)	21.80	6.1	4.3	-9.0
Steel (\$/ton)	1,055.00	-0.1	0.1	41.8
Iron Ore (CNY/MT)	958.00	0.0	4.5	11.8
Wheat (\$/bu)	684.50	0.8	-3.0	-14.3
Corn (\$/bu)	613.50	-0.6	-2.7	-9.5
Sugar (\$/lb)	20.80	-1.7	3.6	11.1
SMP* (EUR/MT)	2,580.00	0.0	-0.6	-7.1

\*SMP: Skimmed Milk Powder

## Interbank Rates

Region	Rate*	Daily Change(bps)	MTD (bps)	YTD (bps)
KSA (SAIBOR 1M)	5.35	-0.2	9.9	61.8
KSA (SAIBOR 3M)	5.69	2.3	11.1	35.2
KSA (SAIBOR 6M)	5.75	0.9	-1.3	15.4
KSA (SAIBOR 12M)	5.85	3.2	1.2	-2.3
USD (LIBOR 3M)	5.14	0.0	17.6	37.1
UAE (EIBOR 3M)	5.06	7.0	16.7	75.5

Data Sources: Tadawul, Bloomberg, Reuters  
Closes as of March 13, 2023



Technical observations	
Index	TASI
Ticker	SASEIDX Index
Last Close	10,305
Short-term view	Neutral
52 weeks high/low	13,949 – 9,931

Market data	
Exchange Market Cap. (SAR bn)	10,022.0
Value (SAR mn)	4,804.4
Volume (mn)	169.0
Number of Transactions	358,879
Market Breadth	65 : 139

Key statistics	
1D return %	-0.76%
MTD return %	2.00%
QTD return	-1.65%
YTD return	-1.65%
ADT vol. 3M* (mn)	144.9
ADT val. 3M (SARmn)	3,855.7

\*ADT stands for Average Daily Traded

## TASI market commentary

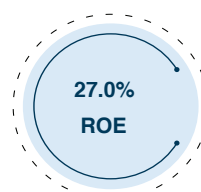
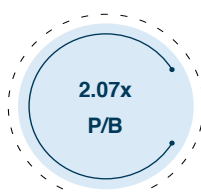
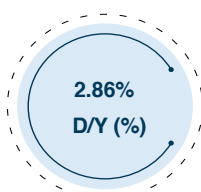
- The TASI declined on Monday, primarily due to weakness in Index heavyweights Banks (-1.99% D/D) and Telecommunication Services (-1.09% D/D) stocks. At close, the Saudi market ended the day with a change of -0.76% at 10,305. In terms of activity, total volumes and value traded were ~169mn and ~SAR 4.8bn respectively. The advance-decline ratio came in at 65/139.

## Technical outlook

- TASI lost 79 points to close Monday's trading session near the 10,305 mark. The index started the last session with an initial buying behavior that pushed the index up to record an intraday high near 10,463 before witnessing heavy profit booking action which threw the index down to close at the low. TASI closed below its 20-day SMA reflecting the weakness of the market and suggesting further decline toward the 50% retracement level of the last short-term upside leg near 10,230. The RSI indicator fell below the 50 level reflecting the short-term weakness. The index has immediate support at 10,300 points, followed by the level of 50% retracement of the last short-term upside leg near level of 10,230; if breached, it'll be expected to continue toward the level of the 61.8% retracement level near 10,160. On the flip side, immediate resistance is seen around the level of the 20-day SMA near 10,350 followed by the level of 10,450. Traders are recommended to keep an eye on the new support levels ranging from 10,250 to 10,160 points, where a potential rebound may be witnessed.

## Key price levels

S3	S2	S1	Pivot	R1	R2	R3
10,160	10,230	10,300	10,350	10,450	10,535	10,590



Source: Bloomberg, Argam

## TASI daily chart



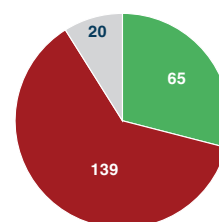
Source: Tradingview, Aljazeera Capital

## 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
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No stocks recommendations due to market volatility

\* As of 13<sup>th</sup> March 2023

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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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