

## Major Economic News

- Saudi oil exports rose 3% M/M to a three-month high of 7.66mn bpd in January. Total crude output marginally rose by 0.1% M/M to 10.45mn bpd. Local crude consumption fell 7% to reach 2.79mn bpd. (Source: Argaam)
- Saudi Arabia's holdings of US Treasuries reached USD 111.0bn in January, indicating a decline of USD 8.7bn M/M. (Source: Argaam)
- Saudi Investment Recycling Co. (SIRC), wholly owned by the PIF signed an agreement to acquire 60% of Masab Plastic Factory Co. (Source: Argaam)
- S&P Global raised its long and short-term foreign and local currency sovereign credit ratings on Saudi Arabia to 'A/A-1' with Stable outlook. Meanwhile, Moody's Investors Services upheld the KSA's sovereign rating at 'A1 and lifted the country's outlook to 'Positive' from Stable. (Source: Argaam)

## Major Corporate News

- Advanced Petrochemical Co.'s board of directors proposed the repurchase of up to 650,700 shares to allocate to the employee stock incentive program. (Source: Argaam)
- Academy of Learning (AOL) rented a campus for 10 years at an annual rental value of SAR 3.83mn totaling SAR 38.3mn. (Source: Argaam)

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

Company	Q4-22	Q4-21	Y/Y %	Q3-22	Q/Q %
Arabian Drilling	136.7	118.3	15.6	213.4	-35.9
CHEMICAL	23.2	-5.8	NM	10.3	124.5
ALARABIA	81.1	70.6	14.9	65.9	23.1
ALLIANZ SF	6.8	9.0	-24.6	11.1	-39.1
City cement	47.8	6.5	634.1	25.3	89.0
Northern Cement	36.7	35.4	3.7	27.6	32.9
AlSaif Gallery	28.0	51.9	-46.0	27.5	2.0

## Market Analysis

- The Saudi Stock Exchange decreased 0.7% to 9,976.7 on Thursday. The value traded stood at SAR 7.7bn (up 43.1% over previous day), while the advance-decline ratio stood at 52/160. The parallel market index increased 0.9% to 19,011.7 points. The value traded stood at SAR 13.8mn (down 33.8% over previous day). Most sectors in the main market ended in the red. Pharma & Bio Tech and Commercial Service (up 1.3% and 0.7%, respectively) advanced the most; Insurance and Healthcare (down 2.0% and 1.8%, respectively) led the laggards.

## Top Gainers

Company	Price	Change%
ASTRA INDUSTRIAL	59.00	6.1
SAPTCO	17.68	6.0
THIMAR	36.70	5.3
ALDAWAA	74.10	4.7
SABB	33.65	3.9

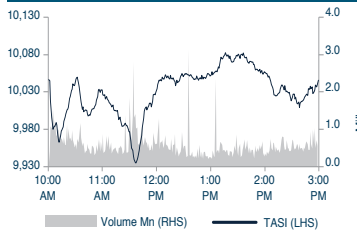
## Top Losers

Company	Price	Change%
HERFY FOODS	32.00	-6.7
ALKATHIRI	43.45	-5.5
YCC	32.30	-5.3
ALHAMMADI	46.15	-3.9
TAPRCO	67.40	-3.7

## Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	9,977	10,083	9,933	-0.7	-4.8
NomuC	19,012	19,012	18,764	0.9	-2.1

## TASI movement during session



## TASI Ratios

P/E* (x)	16.9
Price-to-Book (x)	2
Dividend Yield (%)	3
Return on Equity (%)	27.1

\*Source: Argaam (Excluding Aramco)

Index	Close	Daily Change%	YTD %	PE (TTM)
Energy	5,268	-1.7	-2.9	11.2
Materials	6,088	-1.0	-3.2	12
Capital Goods	5,693	-0.5	8.9	19.4
Commercial Service	3,629	0.7	6.2	31.7
Transportation	5,126	0.7	12.9	High
Consumer Durables	4,123	-1.4	-2.4	Neg
Consumer Services	4,313	-0.7	16.9	High
Media	22,000	-1.1	2.3	23.2
Retailing	7,245	-0.1	1.0	22.2
Food & Staples	9,234	-0.3	8.1	19.8
Food & Beverages	4,694	-0.4	1.2	39.3
Healthcare	9,496	-1.8	4.2	47.4
Pharma & Bio Tech	3,074	1.3	7.0	Neg
Banks	10,135	-0.2	-12.2	13.9
Diversified Financial	5,265	-0.4	-17.2	6.3
Insurance	5,776	-2.0	8.6	High
Telecom	6,698	-1.4	4.8	16.5
Utilities	6,562	0.4	-8.5	13.6
REITs	3,763	-0.9	-5.4	22
Real Estate	2,743	-0.2	9.7	High
Software & Services	39,872	-1.0	11.1	34

## Average Index Value

Average days 5	Average days 10	Average days 20	Average value traded for the month (bn)
10,184	10,313	10,279	4.59

## Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	-	-	-
Previous week	25.7	878.90	1,772.40

## Top Weighted Companies

Company	Price	Change%
Saudi Aramco	30.95	-1.9
Al Rajhi	70.60	-0.3
SNB	41.50	-2.9
SABIC	85.50	-1.4
STC	37.45	-0.7



## Regional and International Markets

- Among other regional markets, Dubai and Abu Dhabi increased 1.3% and 2.2%, respectively. Kuwait increased 1.0% while Qatar and Oman declined 2.0% and 0.2%, respectively. Meanwhile, Bahrain and Egypt declined 0.1% each.
- According to Baker Hughes, North America's rig count decreased to 961 from 969 earlier in the week ended March 17. The rig count in the US increased to 754 from 746 a week ago and increased to 16 from 14 in the Gulf of Mexico. The rig count in Canada decreased to 207 from 223 in the week earlier. (Source: Baker Hughes).
- US initial jobless claims declined to 192,000 (consensus: 205,000) in the week ended March 11, representing a decrease of 20,000 from the previous week's revised level of 212,000. (Source: RTT news).
- US housing starts surged by 9.8% to an annual rate of 1.45mn in February (consensus: rise to 1.315mn) after declining 2.0% to a revised rate of 1.32mn in January. Building permits also surged by 13.8% to an annual rate of 1.52mn in February after edging up by 0.1% to 1.34mn in January. (Source: RTT news).
- Oil prices fell 2.3%, led by concerns caused by US banking sector coupled with persistent interest rate hikes by US Federal Reserve leading to worries that US economy will end up in recession.
- Gold prices rose 3.6%, as US dollar weakened and the banking crisis bolstered the safe-haven metal's appeal.

## Forex / Currency

Currency / USD	Close	Daily Change%	MTD %	YTD %
Dollar Index	103.71	-0.7	-1.1	0.2
Euro	1.07	0.6	0.9	-0.3
Japanese Yen	131.85	-1.4	-3.2	0.6
Sterling Pound	1.22	0.5	1.3	0.7
Chinese Yuan	6.89	-0.1	-1.0	-0.5
Indian Rupee	82.55	-0.2	-0.1	-0.2
UAE Dirham	3.67	0.0	-0.0	0.0
Qatari Rial	3.66	-0.1	-0.1	-0.3
Kuwaiti Dinar	0.31	-0.1	-0.0	0.3
Omani Rial	0.38	-0.1	-0.1	-0.1
Bahraini Dinar	0.38	0.0	0.0	0.0
Egyptian Pound	30.80	-0.4	0.6	24.4

## Corporate Calendar

Date	Company	Event
19 <sup>th</sup> Mar	Meyar	Start of IPO
19 <sup>th</sup> Mar	GS	End of IPO
19 <sup>th</sup> Mar	Saudi Lime	Start of IPO
19 <sup>th</sup> Mar	Balady Poultry	Listing date
20 <sup>th</sup> Mar	YSCC	Eligibility for Cash Dividend
20 <sup>th</sup> Mar	JARIR	Eligibility for Cash Dividend

\*EGM: Extra Ordinary Meeting

\*OGM: Ordinary General Meeting

## Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	3,349	1.3	-2.6	0.6	9
Abu Dhabi (ADX)	9,650	2.2	-2.0	-6.0	15.8
Kuwait (KSE)	5,425	1.0	-2.2	-3.1	12.2
Qatar (QE)	9,910	-2.0	-6.3	-7.2	11
Oman (MSM)	4,888	-0.2	2.8	0.6	11.6
Bahrain (BSE)	1,897	-0.1	-1.8	0.1	8
Egypt (EGX30)	14,704	-0.1	-13.5	0.7	5.8

## International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	31,862	-1.2	-2.4	-3.9	18.9
Nasdaq	12,520	-0.5	4.0	14.4	27.7
S&P 500	3,917	-1.1	-1.3	2.0	18.8
FTSE 100	7,335	-1.0	-6.9	-1.6	10.5
Germany DAX 30	14,768	-1.3	-3.9	6.1	11.9
France CAC 40	6,925	-1.4	-4.7	7.0	12.2
Japan Nikkei 225	27,334	1.2	-0.4	4.7	22.4
Russia MOEX	2,323	2.9	3.1	7.8	3.0
Hong Kong Hang Seng	19,519	1.6	-1.4	-1.3	11.1
South Korea KOSPI	2,396	0.7	-0.7	7.1	12.0
China Shanghai Composite	3,251	0.7	-0.9	5.2	14.2
Australia ASX 200	6,995	0.4	-3.6	-0.6	11.6
India Sensex	57,990	0.6	-1.6	-4.7	21.9
MSCI EM	952	1.1	-1.3	-0.5	12.1
MSCI World	2,656	-0.8	-2.2	2.1	17.1

## Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	76.18	0.7	-8.7	-9.6
Brent Crude (\$/bbl)	72.97	-2.3	-13.0	-15.1
Texas crude (\$/bbl)	66.74	-2.4	-13.4	-16.8
Natural Gas (\$/mmbtu)	2.34	-7.0	-14.9	-40.3
Gold (\$/oz)	1,989.25	3.6	8.9	9.1
Silver (\$/oz)	22.60	4.2	8.1	-5.6
Steel (\$/ton)	1,056.00	0.0	0.2	41.9
Iron Ore (CNY/MT)	934.00	-0.8	1.9	9.0
Wheat (\$/bu)	710.50	1.6	0.7	-11.0
Corn (\$/bu)	634.25	0.2	0.6	-6.5
Sugar (\$/lb)	20.67	-0.4	3.0	10.4
SMP* (EUR/MT)	2,565.00	0.0	-1.2	-7.6

\*SMP: Skimmed Milk Powder

## Interbank Rates

Region	Rate*	Daily Change(bps)	MTD (bps)	YTD (bps)
KSA (SAIBOR 1M)	5.36	3.8	11.5	63.4
KSA (SAIBOR 3M)	5.52	-3.9	-5.6	18.5
KSA (SAIBOR 6M)	5.69	-0.1	-8.0	8.7
KSA (SAIBOR 12M)	5.78	-0.6	-5.2	-8.7
USD (LIBOR 3M)	5.00	3.6	3.6	23.1
UAE (EIBOR 3M)	4.87	-0.7	-3.0	55.8

Data Sources: Tadawul, Bloomberg, Reuters

Closes as of March 17, 2023



Technical observations	
Index	TASI
Ticker	SASEIDX Index
Last Close	9,977
Short-term view	Cautious
52 weeks high/low	13,949 – 9,931

Market data	
Exchange Market Cap. (SAR bn)	9,504.4
Value (SAR mn)	7,658.6
Volume (mn)	231.2
Number of Transactions	420,197
Market Breadth	52 : 160

Key statistics	
1D return %	-0.71%
MTD return %	-1.25%
QTD return	-4.79%
YTD return	-4.79%
ADT vol. 3M* (mn)	147.1
ADT val. 3M (SARmn)	3,947.8

\*ADT stands for Average Daily Traded

## TASI market commentary

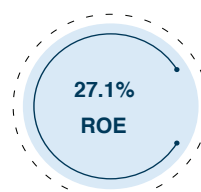
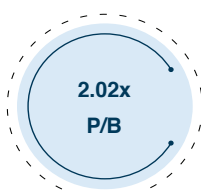
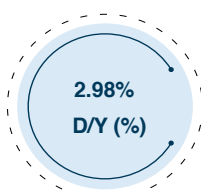
- TASI experienced a decline on Thursday due to anxiety surrounding a potential global banking crisis. The decrease was led by index heavyweight Energy (-1.71% D/D) and Telecommunication Services (-1.39% D/D) sectors. At close, the Saudi market ended the day with a change of -0.71% at 9,977. In terms of activity, total volumes and value traded were ~231mn and ~SAR 7.7bn respectively. The advance-decline ratio came in at 52/160.

## Technical outlook

- TASI lost 72 points to close Thursday's trading session near 9,977 points. The index has just reached the level of the prior short-term trough and the previous medium-term bottom near the zone of 9,950 – 9,930, however, it came after developing lower highs which indicates the inherent weakness of the index. The RSI indicator is still heading down toward the oversold zone without any notable positive signs so far, which suggests an impending bearish breakout below the support zone in the near term. The index has immediate support near 9,930 points; if breached, it'll be expected to continue toward the support level of 9,760 followed by 9,700 points where the 127.2% external retracement of the prior medium-term upswing is found. On the flip side, immediate resistance is seen around the level of 10,075 followed by the level of 10,160; if penetrated, it'll be expected to continue toward the 50% retracement of the last downside move near 10,230. Traders are advised to carefully monitor the significant support level of 9,930 points, as it could serve as a crucial indicator of the market trend in the coming short run.

## Key price levels

S3	S2	S1	Pivot	R1	R2	R3
9,550	9,700	9,760	9,930	10,075	10,160	10,230



Source: Bloomberg, Argaam

## TASI daily chart



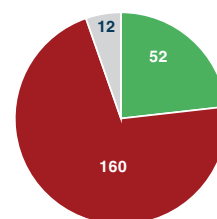
Source: Tradingview, Aljazeera Capital

## 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 16<sup>th</sup> March 2023

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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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