



Major Economic News

- Residential and commercial rent deals jumped 81%Y/Y to SAR 76.0bn in FY22. The total value of commercial rent transactions amounted to SAR 40.9bn last year, while those of residential properties reached SAR 35.1bn. The number of rent deals surged 87% Y/Y to 2.3mn in FY22 from 1.3mn a year ago. (Source: Argaam)
- The National Debt Management Center received total orders in March which amounted to SAR 834.0bn with the total allocation reaching SAR 3.37bn. (Source: Argaam)
- Islamic financing facilities provided by the conventional banks in Saudi Arabia rose by 12% Y/Y to SAR 1.1tn in FY22 from SAR 942.1bn a year earlier. (Source: Argaam)

Major Corporate News

- Dar Al Arkan Real Estate Development Co. repaid the fifth tranche of sukuk worth USD 500.0mn. (Source: Argaam)
- Al Kathiri Holding Co.'s issued sukuk offers an annual return of 8.5%, which is the highest among issuances of companies listed on the Tadawul. (Source: Argaam)
- Al Rajhi Bank shareholders approved the board's recommendation to pay a cash dividend at 12.5% of capital, or SAR 1.25 per share after Zakat, for 2022, according to a statement to Tadawul. (Source: Argaam)

Earnings update (Net Profit) (SAR mn)

Company	Q4-22	Q4-21	Y/Y %	Q3-22	Q/Q %
ALDAWAA	89.5	69.1	29.6	48.2	85.9
Mouwasat	185.1	146.8	26.1	122.2	51.5
ARDCO	38.7	-6.9	NM	65.4	-40.9
OBEIKAN GLASS	23.2	56.7	-59.0%	49.3	-52.9
SPPC	-3.0	-12.6	NM	-3.9	NM

Market Analysis

- The Saudi Stock Exchange increased 1.4% to 10,359.7. The value traded stood at SAR 5.0bn (up 8.9% over previous day), while the advance-decline ratio stood at 176/38. The parallel market index decreased 0.2% to 18,928.9 points. The value traded stood at SAR 28.7mn (down 35.0% over previous day). Most sectors in the main market ended in the green. Telecom and Diversified Financials (up 2.5% and 2.2%, respectively) advanced the most; Food & Beverages and Media (down 0.7% and 0.5%, respectively) led the laggards.

Top Gainers

Company	Price	Change%
ARAB SEA	70.70	10.0
THIMAR	48.75	9.9
2P	192.00	9.7
SIECO	32.15	9.5
SAIC	23.90	7.8

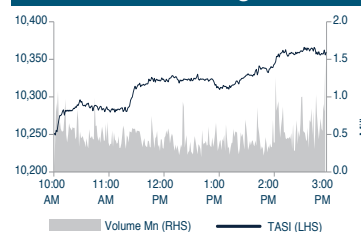
Top Losers

Company	Price	Change%
YSCC	30.30	-3.2
ELM	426.00	-2.1
ALMARAI	53.60	-2.0
ALRAJHI TAKAFUL	97.20	-1.5
JOUF CEMENT	12.70	-1.4

Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	10,360	10,371	10,242	1.4	-1.1
NomuC	18,929	19,007	18,809	-0.2	-2.5

TASI movement during session



TASI Ratios

P/E* (x)	17.6
Price-to-Book (x)	2.1
Dividend Yield (%)	2.8
Return on Equity (%)	27

*Source: Argaam (Excluding Aramco)

Index	Close	Daily Change%	YTD %	PE (TTM)
Energy	5,372	1.4	-1.0	11.4
Materials	6,275	1.4	-0.2	12.4
Capital Goods	5,823	1.4	11.4	20
Commercial Service	3,629	0.7	8.0	32.2
Transportation	5,180	1.8	14.1	High
Consumer Durables	4,226	1.4	0.0	Neg
Consumer Services	4,382	0.1	18.8	High
Media	22,247	-0.5	3.5	23.5
Retailing	7,291	0.5	1.6	22.3
Food & Staples	9,295	1.3	8.8	19.9
Food & Beverages	4,721	-0.7	1.8	39.5
Healthcare	9,953	1.8	9.3	High
Pharma & Bio Tech	3,195	0.9	11.2	Neg
Banks	10,759	1.5	-6.8	14.9
Diversified Financial	5,480	2.2	-13.8	6.5
Insurance	5,792	1.0	8.9	High
Telecom	6,890	2.5	7.8	16.9
Utilities	6,772	2.1	-5.6	14
REITs	3,777	0.5	-5.0	22
Real Estate	2,877	1.4	15.1	High
Software & Services	41,782	0.0	16.4	35.4

Average Index Value

Average days 5	Average days 10	Average days 20	Average value traded for the month (bn)
10,152	10,253	10,245	4.54

Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	12.9	454.60	937.10
Previous week	25.7	878.90	1,772.40

Top Weighted Companies

Company	Price	Change%
Saudi Aramco	31.55	1.4
Al Rajhi	74.10	0.3
SNB	45.90	3.4
SABIC	89.50	2.8
STC	38.40	2.4



Regional and International Markets

- Among other regional markets, Dubai increased 1.1%, while Abu Dhabi remained flat. Egypt, Qatar, Bahrain and Kuwait increased 2.7%, 1.0%, 0.7% and 0.4%, respectively. Meanwhile, Oman remained flat.
- US existing home sales surged 14.5% M/M to an annual rate of 4.580mn in February (consensus: 4.170mn) as compared to previous decline of 0.7% M/M to annual rate of 4.00mn. Existing home sales surged after falling for twelve straight months but were still down by 22.6% compared to the same month a year ago. (Source: Econoday)
- The US Federal Reserve Bank commenced its two-day meeting wherein some top central bank observers predicted that given recent bank trouble, the US Fed may pause further rate hikes or even delay releasing new economic projections due to the cloudy outlook. Consequently, US treasury yields rose as worries about banking sector calmed. (Source: Reuters, CNBC)
- UK public sector net borrowing is seen at GBP 15.86bn in February (consensus: GBP 10.0bn) versus a surplus seen of GBP 9.1bn in January. (Source: Econoday)
- Oil prices increased 2.1%, bolstered by the banking industry's stronger short-term outlook, which abated worries about future economic growth and the demand for crude.
- Gold prices fell 2.0%, as treasury yields rose, and some investors cautiously returned to riskier assets on lessening financial crisis concerns.

Forex / Currency

Currency / USD	Close	Daily Change%	MTD %	YTD %
Dollar Index	103.26	0.0	-1.5	-0.3
Euro	1.08	0.4	1.8	0.6
Japanese Yen	132.51	0.9	-2.7	1.1
Sterling Pound	1.22	-0.5	1.6	1.1
Chinese Yuan	6.88	0.0	-1.1	-0.7
Indian Rupee	82.67	0.0	0.0	-0.1
UAE Dirham	3.67	0.0	0.0	0.0
Qatari Rial	3.66	0.1	0.1	-0.1
Kuwaiti Dinar	0.31	0.0	-0.1	0.2
Omani Rial	0.38	-0.1	-0.1	-0.1
Bahraini Dinar	0.38	0.0	0.0	0.0
Egyptian Pound	30.90	0.2	0.9	24.8

Corporate Calendar

Date	Company	Event
22 nd Mar	ALHAMMADI	Cash Dividend Distribution
22 nd Mar	Horizon Food	Surplus refund date
22 nd Mar	Maharah	Cash Dividend Distribution
22 nd Mar	Bena Steel Industries	Listing date
23 rd Mar	Bawan	Eligibility for Cash Dividend
23 rd Mar	Marafiq	Cash Dividend Distribution

*EGM: Extra Ordinary Meeting

*OGM: Ordinary General Meeting

Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	3,381	1.1	-1.6	1.6	9.0
Abu Dhabi (ADX)	9,545	0.0	-3.0	-7.0	16.1
Kuwait (KSE)	5,446	0.4	-1.8	-2.7	12.2
Qatar (QE)	9,877	1.0	-6.6	-7.5	10.9
Oman (MSM)	4,859	0.0	2.2	0.0	11.2
Bahrain (BSE)	1,900	0.7	-1.7	0.2	8.0
Egypt (EGX30)	15,326	2.7	-9.9	5.0	5.9

International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	32,561	1.0	-0.3	-1.8	19.4
Nasdaq	12,741	1.4	5.8	16.5	28.3
S&P 500	4,003	1.3	0.8	4.3	19.2
FTSE 100	7,536	1.8	-4.3	1.1	10.8
Germany DAX 30	15,195	1.8	-1.1	9.1	12.3
France CAC 40	7,113	1.4	-2.1	9.9	12.5
Japan Nikkei 225	26,946	0.0	-1.8	3.3	22.1
Russia MOEX	2,398	0.0	6.4	11.3	3.2
Hong Kong Hang Seng	19,259	1.4	-2.7	-2.6	11.0
South Korea KOSPI	2,388	0.4	-1.0	6.8	12.0
China Shanghai Composite	3,256	0.6	-0.7	5.4	14.2
Australia ASX 200	6,955	0.8	-4.2	-1.2	14.1
India Sensex	58,075	0.8	-1.5	-4.5	21.9
MSCI EM	952	1.0	-1.2	-0.4	11.6
MSCI World	2,712	1.3	-0.1	4.2	17.1

Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	75.68	4.7	-9.3	-10.2
Brent Crude (\$/bbl)	75.32	2.1	-10.2	-12.3
Texas crude (\$/bbl)	69.33	2.5	-10.0	-13.6
Natural Gas (\$/mmbtu)	2.35	5.6	-14.5	-40.1
Gold (\$/oz)	1,940.07	-2.0	6.2	6.4
Silver (\$/oz)	22.39	-0.7	7.1	-6.5
Steel (\$/ton)	1,056.00	0.1	0.2	41.9
Iron Ore (CNY/MT)	927.00	-2.2	1.1	8.2
Wheat (\$/bu)	683.25	-2.5	-3.2	-14.5
Corn (\$/bu)	630.00	-0.5	-0.0	-7.1
Sugar (\$/lb)	20.80	1.6	3.6	11.1
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)	5.30	1.3	5.6	57.5
KSA (SAIBOR 3M)	5.51	-3.6	-6.7	17.4
KSA (SAIBOR 6M)	5.66	-0.6	-10.9	5.8
KSA (SAIBOR 12M)	5.73	-3.4	-10.6	-14.1
USD (LIBOR 3M)	4.95	-5.1	-1.5	18.0
UAE (EIBOR 3M)	4.92	9.7	2.2	61.0

Data Sources: Tadawul, Bloomberg, Reuters
Closes as of March 21, 2023

Technical observations	
Index	TASI
Ticker	SASEIDX Index
Last Close	10,360
Short-term view	Cautious Buy
52 weeks high/low	13,949 – 9,931

Market data	
Exchange Market Cap. (SAR bn)	9,747.7
Value (SAR mn)	4,971.9
Volume (mn)	157.7
Number of Transactions	353,305
Market Breadth	176 : 38

Key statistics	
1D return %	1.39%
MTD return %	2.54%
QTD return	-1.13%
YTD return	-1.13%
ADT vol. 3M* (mn)	150.3
ADT val. 3M (SARmn)	4,054.0

*ADT stands for Average Daily Traded

TASI market commentary

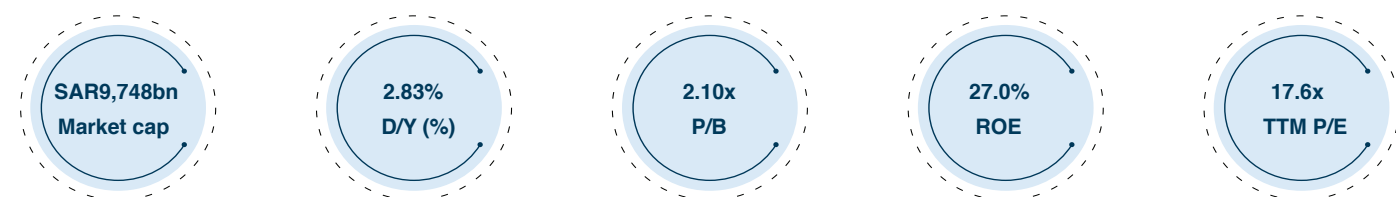
- TASI witnessed a rise on Tuesday which was led by index heavyweight Telecommunication Services (2.52% D/D) and Banks (1.48% D/D) sectors. At close, the Saudi market ended the day with a change of 1.39% at 10,360. In terms of activity, total volumes and value traded were ~158mn and ~SAR 5.0bn respectively. The advance-decline ratio came in at 176/38.

Technical outlook

- TASI gained 142 points to close Tuesday's trading session near 10,360 points. The index resumed the upside move by developing a bullish candle that penetrated the 10&20-day SMAs as well as the 61.8% retracement of the last downside move, heading to test a declining trendline near the resistance level of 10,400. Penetrating the declining trendline will pave the way toward the following significant resistance zone of 10,530 – 10,600. Moreover, the RSI indicator is currently testing its prior peak after developing a positive divergence. The index has immediate resistance near the level of 10,400; if penetrated, it'll be expected to continue toward the level of the prior peak near 10,530. On the flip side, immediate support is seen around 10,300 points followed by the level of the 20-day SMA near 10,245. Traders are advised to closely monitor the resistance level of 10,400 where a close above it will confirm the trend change.

Key price levels

S3	S2	S1	Pivot	R1	R2	R3
10,075	10,160	10,245	10,300	10,400	10,530	10,600



Source: Bloomberg, Argam

TASI daily chart



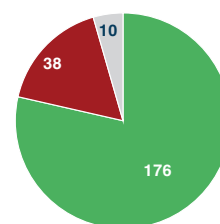
Source: Tradingview, Aljazira Capital

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
7200	Al Moammar Information Systems Company	112.00	110.90 – 112.00	114.00	119.50	6.70%	108.70

* As of 21st March 2023

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

CHARTS OF THE WEEK

Technical observations

MIS finished a continuation rectangle price pattern with bullish status on the 10&20-day SMAs. Moreover, the RSI indicator shows a bullish structure which confirms the price action. We recommend buying the stock in a range of SAR110.90 – 112.00, for a target of SAR114.00 followed by SAR119.50, with a stop loss below SAR108.70 on a closing basis.

Al Moammar Information Systems Company (MIS)



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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