

## Major Economic News

- Saudi Arabia will implement a voluntary cut of 500,000 bpd starting May to end of FY23 as a precautionary measure to support price stability. (Source: Argaam)
- Saudi bank loans granted to public and private sectors rose 13% Y/Y by the end of February to SAR 2.5tn compared to SAR 2.2tn. Private sector lending rose by 11% Y/Y to SAR 2.3tn for the same month. Loans granted to public non-financial institutions jumped 45% Y/Y to about SAR 138.2bn by the end of February. (Source: Argaam)
- Consumer spending in Saudi Arabia increased 10% Y/Y to SAR 97.9bn in February 2023 from SAR 88.6bn. POS transactions rose 15% Y/Y to SAR 44.8bn in February. Data showed that 633.2mn transactions were processed through 1.51mn POS devices during the same month. (Source: Argaam)

## Major Corporate News

- The Capital Market Authority (CMA) approved Alpha Capital's request for the public offering of Alpha Saudi Freestyle Equity Fund. (Source: Tadawul)
- Jood Eskan's IPO campaign's total contributions reached SAR 927.2mn with coverage of 92.0%. The campaign will raise SAR 1.0bn through 100mn stocks at SAR 10 per share and is designed to raise awareness of the importance of investing in community-driven social initiatives. (Source: Tadawul)
- Walaa Cooperative Insurance Co. signed an insurance coverage contract with Saudi Arabian Oil Co. for a value that exceeds 15% of the gross written premiums for FY2. (Source: Tadawul)
- Cenomi Centers's board of directors decided to distribute a 10% special cash dividend (SAR 1 per share) for Q3-22. (Source: Tadawul)

## Market Analysis

- The Saudi Stock Exchange increased 0.4% to 10,636.6 on Sunday. The value traded stood at SAR 5.1bn (down 17.4% over previous day), while the advance-decline ratio stood at 163/47. The parallel market index increased 0.5% to 19,987.2 points. The value traded stood at SAR 16.8mn (down 56.1% over previous day). Most sectors in the main market ended in the green. Diversified Financials and Consumer Durables (up 4.3% and 2.0%, respectively) advanced the most; Commercial Service and Healthcare (down 0.8% and 0.6%, respectively) led the laggards.

## Top Gainers

Company	Price	Change%
FIPCO	42.90	10.0
TAKWEEN	10.16	9.8
SOLUTIONS	269.20	8.2
SHARQIYAH DEV	61.70	7.5
CENOMI CENTERS	21.88	7.4

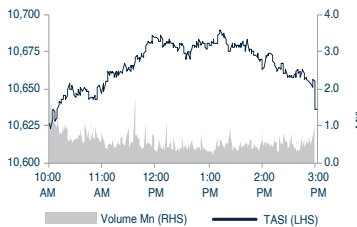
## Top Losers

Company	Price	Change%
ARABIAN DRILLING	145.40	-4.8
DAR ALARKAN	15.42	-3.8
SISCO	27.10	-3.7
SULAIMAN ALHABIB	283.20	-2.8
FITNESS TIME	102.20	-2.7

## Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	10,637	10,690	10,616	0.4	1.5
NomuC	19,987	19,998	19,584	0.5	2.9

## TASI movement during session



## TASI Ratios

P/E* (x)	18.5
Price-to-Book (x)	2.2
Dividend Yield (%)	2.4
Return on Equity (%)	26.9

\*Source: Argaam (Excluding Aramco)

Index	Close	Daily Change%	YTD %	PE (TTM)
Energy	5,509	0.1	1.5	11.7
Materials	6,457	1.2	2.7	12.8
Capital Goods	6,312	1.8	20.8	21.6
Commercial Service	3,629	-0.8	12.8	33.6
Transportation	5,354	0.4	17.9	High
Consumer Durables	4,496	2.0	6.4	Neg
Consumer Services	4,620	0.1	25.2	High
Media	23,294	-0.6	8.4	24.6
Retailing	7,766	-0.6	8.2	23.7
Food & Staples	9,962	0.7	16.6	21.3
Food & Beverages	4,926	-0.4	6.2	41.1
Healthcare	10,915	-0.6	19.8	High
Pharma & Bio Tech	3,172	1.3	10.4	Neg
Banks	10,810	0.4	-6.3	14.9
Diversified Financial	5,849	4.3	-8.1	6.8
Insurance	6,328	0.9	19.0	High
Telecom	7,226	0.2	13.1	17.8
Utilities	6,962	0.6	-3.0	14.4
REITs	3,860	0.5	-2.9	22.5
Real Estate	2,960	0.2	18.4	High
Software & Services	44,208	1.9	23.2	37.6

## Average Index Value

Average days 5	Average days 10	Average days 20	Average value traded for the month (bn)
10,532	10,450	10,368	4.87

## Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	5.1	178.30	371.60
Previous week	28.6	1,055.30	1,951.40

## Top Weighted Companies

Company	Price	Change%
Saudi Aramco	32.35	0.2
Al Rajhi	73.70	0.3
SNB	46.00	0.3
SABIC	91.80	1.7
STC	40.40	0.9



## Regional and International Markets

- Among other regional markets, Dubai and Abu Dhabi remained closed. Egypt and Bahrain increased 1.7% and 0.2%, respectively, while Qatar, Oman and Kuwait declined 1.2%, 1.1% and 0.5%, respectively.
- US consumer sentiment index was revised to 62.0 in March (consensus: 63.2) as compared to 67.0 in February. Current economic conditions index fell to 66.3 in March from 70.7 in February, while the index of consumer expectations declined to 59.2 from 64.7. One-year inflation expectations declined to 3.6% in March from 4.1% in February, while five-year inflation expectations came in at 2.9% for the fourth consecutive month. (Source: RTT news)
- Eurozone consumer prices increased 6.9% Y/Y in March (consensus: 7.1% Y/Y) slower than 8.5% Y/Y rise in February. Core inflation that excludes energy, food, alcohol and tobacco, rose slightly to 5.7% Y/Y in March, as expected, from 5.6% Y/Y in the previous month (Source: RTT news)
- Eurozone jobless rate in February was at 6.6% (consensus: 6.8%) similar to January. The number of people out of work decreased by 59,000 from the previous month to 11.1mn in February. (Source: RTT news).
- UK's annual fall in house prices intensified to 3.1% in March (consensus: 2.2% Y/Y) from 1.1% Y/Y in February. On a monthly basis, house prices slid 0.8% M/M (consensus: 0.3% M/M) after a 0.5% M/M drop in the previous month. (Source: RTT news)

## Forex / Currency

Currency / USD	Close	Daily Change%	MTD %	YTD %
Dollar Index	102.51	0.0	-2.3	-1.0
Euro	1.08	0.0	2.5	1.3
Japanese Yen	132.86	0.0	-2.4	1.3
Sterling Pound	1.23	0.0	2.6	2.1
Chinese Yuan	6.87	0.0	-1.2	-0.7
Indian Rupee	82.18	0.0	-0.6	-0.7
UAE Dirham	3.67	0.0	0.0	0.0
Qatari Rial	3.67	0.0	0.3	0.1
Kuwaiti Dinar	0.31	0.0	-0.1	0.2
Omani Rial	0.39	0.0	0.0	0.0
Bahraini Dinar	0.38	0.0	0.0	0.0
Egyptian Pound	30.80	0.0	0.6	24.4

## Corporate Calendar

Date	Company	Event
3 <sup>rd</sup> Apr	RIBL	Cash Dividend Distribution
3 <sup>rd</sup> Apr	Theeb	Eligibility for Cash Dividend
3 <sup>rd</sup> Apr	Alamar	Eligibility for Cash Dividend
4 <sup>th</sup> Apr	City Cement	Cash Dividend Distribution
4 <sup>th</sup> Apr	ALSAIF GALLERY	Cash Dividend Distribution
4 <sup>th</sup> Apr	CENOMI CENTERS	Eligibility for Cash Dividend

\*EGM: Extra Ordinary Meeting

\*OGM: Ordinary General Meeting

## Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	3,407	0.0	-0.5	2.3	9.7
Abu Dhabi (ADX)	9,430	0.0	-0.5	-8.1	15.8
Kuwait (KSE)	5,474	-0.5	-0.5	-2.2	12.1
Qatar (QE)	10,093	-1.2	-1.2	-5.5	11.2
Oman (MSM)	4,812	-1.1	-1.1	-0.9	11.0
Bahrain (BSE)	1,890	0.2	0.2	-0.3	7.9
Egypt (EGX30)	16,694	1.7	1.7	14.4	6.4

## International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	33,274	0.0	1.9	0.4	19.8
Nasdaq	13,181	0.0	9.5	20.5	29.2
S&P 500	4,109	0.0	3.5	7.0	19.7
FTSE 100	7,632	0.0	-3.1	2.4	11.0
Germany DAX 30	15,629	0.0	1.7	12.2	12.4
France CAC 40	7,322	0.0	0.7	13.1	12.1
Japan Nikkei 225	28,041	0.0	2.2	7.5	23.0
Russia MOEX	2,451	0.0	8.8	13.8	2.1
Hong Kong Hang Seng	20,400	0.0	3.1	3.1	13.1
South Korea KOSPI	2,477	0.0	2.7	10.8	12.6
China Shanghai Composite	3,273	0.0	-0.2	5.9	12.8
Australia ASX 200	7,178	0.0	-1.1	2.0	14.6
India Sensex	58,992	0.0	0.0	-3.0	22.3
MSCI EM	990	0.0	2.7	3.5	12.7
MSCI World	2,791	0.0	2.8	7.3	17.8

## Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	79.32	0.0	-4.9	-5.8
Brent Crude (\$/bbl)	79.77	0.0	-4.9	-7.1
Texas crude (\$/bbl)	75.67	0.0	-1.8	-5.7
Natural Gas (\$/mmbtu)	2.22	0.0	-19.3	-43.4
Gold (\$/oz)	1,969.28	0.0	7.8	8.0
Silver (\$/oz)	24.10	0.0	15.2	0.6
Steel (\$/ton)	1,164.00	0.0	10.4	56.5
Iron Ore (CNY/MT)	958.00	0.0	4.5	11.8
Wheat (\$/bu)	692.25	0.0	-1.9	-13.3
Corn (\$/bu)	660.50	0.0	4.8	-2.6
Sugar (\$/lb)	22.25	0.0	10.9	18.9
SMP* (EUR/MT)	2,434.00	0.0	-6.2	-12.3

\*SMP: Skimmed Milk Powder

## Interbank Rates

Region	Rate*	Daily Change(bps)	MTD (bps)	YTD (bps)
KSA (SAIBOR 1M)	5.34	-0.9	9.1	61.0
KSA (SAIBOR 3M)	5.67	-1.8	8.9	33.0
KSA (SAIBOR 6M)	5.68	0.9	-8.4	8.3
KSA (SAIBOR 12M)	5.64	0.8	-19.2	-22.7
USD (LIBOR 3M)	5.19	0.0	23.0	42.5
UAE (EIBOR 3M)	4.91	0.0	1.3	60.1

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

Technical observations	
Index	TASI
Ticker	SASEIDX Index
Last Close	10,637
Short-term view	Buy
52 weeks high/low	13,949 – 9,931

Market data	
Exchange Market Cap. (SAR bn)	9,984.5
Value (SAR mn)	5,093.7
Volume (mn)	178.3
Number of Transactions	371,608
Market Breadth	143 : 47

Key statistics	
1D return %	0.44%
MTD return %	0.44%
QTD return	0.44%
YTD return	1.51%
ADT vol. 3M* (mn)	156.5
ADT val. 3M (SARmn)	4,279.5

\*ADT stands for Average Daily Traded

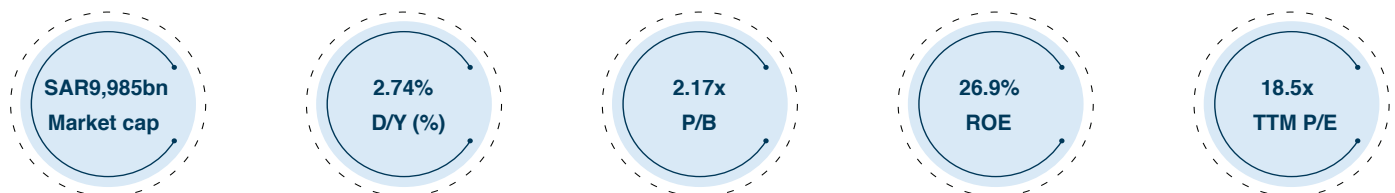
### TASI market commentary

- TASI witnessed a rise on Sunday which was led by index heavyweight Materials (1.20% D/D) and Banks (0.39% D/D) sectors. At close, the Saudi market ended the day with a change of 0.44% at 10,637. In terms of activity, total volumes and value traded were ~178mn and ~SAR 5.1bn respectively. The advance-decline ratio came in at 143/47.

### Technical outlook

- TASI gained 47 points to close Sunday's session near 10,637 points. The index started the first session of the month powerfully after penetrating the significant resistance level of the prior peak near 10,530 and finishing a bullish reversal double-bottom price pattern, however, it developed a shooting star candlestick which needs a following bearish candle to confirm a beginning of short-term profit booking action. A minimum upside target near the previous medium-term peak near the zone of 10,860 – 10,960 is still expected to be achieved in the upcoming sessions. Moreover, the RSI indicator keeps moving toward its 70 level. The index has immediate resistance near 10,660 followed by 10,775; if penetrated, it will pave the way toward the significant resistance level of the previous medium-term peak near 10,860. On the other hand, immediate support is seen around 10,600 followed by the support level of the previous peak near 10,530 points; if breached, the index would be expected to reach 10,450 near the 10-day SMAs. Traders are advised to buy and keep track of a stop loss below 10,450.

Key price levels						
S3	S2	S1	Pivot	R1	R2	R3
10,375	10,450	10,530	10,600	10,660	10,775	10,860



Source: Bloomberg, Argaam

### TASI daily chart



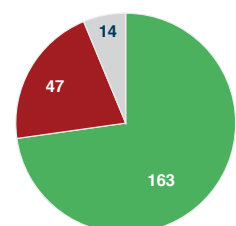
Source: Tradingview, Aljazira Capital

### 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
2090	National Gypsum Company	23.08	22.85 – 23.08	23.66	24.32	5.37%	22.54
1140	Bank Albilad	40.60	40.20 – 40.60	41.95	43.45	7.02%	39.35
6050	Saudi Fisheries Co.	27.80	27.50 – 27.80	28.95	29.80	7.19%	27.00

\*As of 02nd April 2023

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

## CHARTS OF THE WEEK

## Technical observations

**NGC** penetrated and re-tested the level of the previous peak near SAR22.44 as well as a long-term declining trendline with heavy volume heading toward the upper boundary of a long-term sideways movement. Moreover, the RSI indicator shows a bullish structure which confirms the uptrend of the price. We recommend buying the stock in a range of SAR22.85 – 23.08, for a target of SAR23.66 followed by SAR24.32, with a stop loss below SAR22.54 on a closing basis.

## National Gypsum Company (NGC)



Source: Tradingview, AlJazira Capital

## Technical observations

**ALBILAD** penetrated a long-term declining trendline and finished a bullish reversal double bottom price pattern. Moreover, the RSI line shows a bullish signal which confirms the price action. We recommend buying the stock in a range of SAR40.20 – 40.60, for a target of SAR41.95 followed by SAR43.45, with a stop loss below SAR39.35 on a closing basis.

## Bank Albilad (ALBILAD)



Source: Tradingview, AlJazira Capital

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.

## Disclaimer

The purpose of producing this report is to present a general view on the company/economic sector/economic subject under research, and not to recommend a buy/sell/hold for any security or any other assets. Based on that, this report does not take into consideration the specific financial position of every investor and/or his/her risk appetite in relation to investing in the security or any other assets, and hence, may not be suitable for all clients depending on their financial position and their ability and willingness to undertake risks. It is advised that every potential investor seek professional advice from several sources concerning investment decision and should study the impact of such decisions on his/her financial/legal/tax position and other concerns before getting into such investments or liquidate them partially or fully. The market of stocks, bonds, macroeconomic or microeconomic variables are of a volatile nature and could witness sudden changes without any prior warning, therefore, the investor in securities or other assets might face some unexpected risks and fluctuations. All the information, views and expectations and fair values or target prices contained in this report have been compiled or arrived at by Al-Jazira Capital from sources believed to be reliable, but Al-Jazira Capital has not independently verified the contents obtained from these sources and such information may be condensed or incomplete. Accordingly, no representation or warranty, express or implied, is made as to, and no reliance should be placed on the fairness, accuracy, completeness or correctness of the information and opinions contained in this report. Al-Jazira Capital shall not be liable for any loss as that may arise from the use of this report or its contents or otherwise arising in connection therewith. The past performance of any investment is not an indicator of future performance. Any financial projections, fair value estimates or price targets and statements regarding future prospects contained in this document may not be realized. The value of the security or any other assets or the return from them might increase or decrease. Any change in currency rates may have a positive or negative impact on the value/return on the stock or securities mentioned in the report. The investor might get an amount less than the amount invested in some cases. Some stocks or securities maybe, by nature, of low volume/trades or may become like that unexpectedly in special circumstances and this might increase the risk on the investor. Some fees might be levied on some investments in securities. This report has been written by professional employees in Al-Jazira Capital, and they undertake that neither them, nor their wives or children hold positions directly in any listed shares or securities contained in this report during the time of publication of this report, however, The authors and/or their wives/children of this document may own securities in funds open to the public that invest in the securities mentioned in this document as part of a diversified portfolio over which they have no discretion. This report has been produced independently and separately by the Research Division at Al-Jazira Capital and no party (in-house or outside) who might have interest whether direct or indirect have seen the contents of this report before its publishing, except for those whom corporate positions allow them to do so, and/or third-party persons/institutions who signed a non-disclosure agreement with Al-Jazira Capital. Funds managed by Al-Jazira Capital and its subsidiaries for third parties may own the securities that are the subject of this document. Al-Jazira Capital or its subsidiaries may own securities in one or more of the aforementioned companies, and/or indirectly through funds managed by third parties. The Investment Banking division of Al-Jazira Capital maybe in the process of soliciting or executing fee earning mandates for companies that is either the subject of this document or is mentioned in this document. One or more of Al-Jazira Capital board members or executive managers could be also a board member or member of the executive management at the company or companies mentioned in this report, or their associated companies. No part of this report may be reproduced whether inside or outside the Kingdom of Saudi Arabia without the written permission of Al-Jazira Capital. Persons who receive this report should make themselves aware, of and adhere to, any such restrictions. By accepting this report, the recipient agrees to be bound by the foregoing limitations.