

Major Economic News

- Saudi Arabia Purchasing Managers' Index formerly the S&P Global Saudi Arabia PMI, fell from eight-year high to 58.7 points in March 2023 as compared to 59.8 in February. (Source: Argaam)
- Saudi Arabia's Ministry of Industry and Mineral Resources issued 85 new mining licenses in February with investments totaling SAR 1.9bn. (Source: Argaam)

Major Corporate News

- National Agricultural Development Co.'s (NADEC) board of directors proposed a capital increase through a SAR 2.0bn rights issue to execute its strategic and operational plans and support future activities. (Source: Tadawul)
- Saudi Electricity Co. successfully concluded the offering of US dollar-denominated senior unsecured green and/or conventional sukuk, at a total value of USD 2.0bn, under its newly established international sukuk program. (Source: Tadawul)
- Tihama Advertising and Public Relations Co. announced its rights issue trading and subscription to the new shares will start on April 6. However, rights issue trading will end on April 13, while the period for subscription to new shares will expire on April 25. (Source: Tadawul)
- Zahrat Al Waha for Trading Co. announced its capital expansion plan for FY23 worth SAR 70.0mn which will be financed from its cash flow in order to reduce financing costs. (Source: Tadawul)
- Saudi British Bank (SABB) announced the launch of a new identity under SAB brand and plans to change its commercial name from Saudi British Bank' to 'Saudi Awwal Bank'. (Source: Tadawul)

Market Analysis

- The Saudi Stock Exchange increased 1.3% to 10,948.6. The value traded stood at SAR 6.7bn (up 0.3% over previous day), while the advance-decline ratio stood at 143/70. The parallel market index remained flat at 20,125.6 points. The value traded stood at SAR 17.7mn (up 11.1% over previous day). Most sectors in the main market ended in the green. Pharma & Bio tech and Banks (up 2.5% and 1.9%, respectively) advanced the most; Consumer Durables and Transportation (down 0.5% and 0.4%, respectively) led the laggards

Top Gainers

Company	Price	Change%
TAPRCO	20.04	10.0
ALBAHA	14.66	9.9
FARM SUPERSTORES	25.20	9.9
PETRO RABIGH	11.02	5.8
ZAIN KSA	13.98	5.4

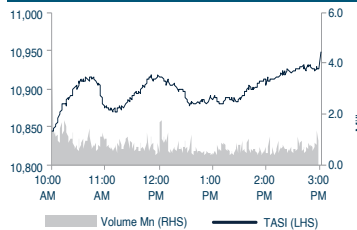
Top Losers

Company	Price	Change%
NADEC	27.90	-3.8
ALARABIA	121.40	-2.1
LAZURDE	14.00	-2.0
SAUDI RE	15.82	-1.9
SHARQIYAH DEV	58.40	-1.9

Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	10,949	10,949	10,833	1.3	4.5
NomuC	20,126	20,139	19,925	0.0	3.6

TASI movement during session



TASI Ratios

P/E* (x)	19.1
Price-to-Book (x)	2.2
Dividend Yield (%)	2.7
Return on Equity (%)	26.9

*Source: Argaam (Excluding Aramco)

Index	Close	Daily Change%	YTD %	PE (TTM)
Energy	5,582	0.8	2.9	11.9
Materials	6,638	1.7	5.5	13.2
Capital Goods	6,350	0.8	21.5	21.7
Commercial Service	3,629	1.5	14.1	34
Transportation	5,359	-0.4	18.0	High
Consumer Durables	4,519	-0.5	7.0	Neg
Consumer Services	4,729	0.7	28.1	High
Media	23,724	0.6	10.4	25.4
Retailing	7,955	1.3	10.9	24.2
Food & Staples	9,898	-0.2	15.9	21.1
Food & Beverages	4,976	0.2	7.3	41.5
Healthcare	11,002	-0.1	20.8	High
Pharma & Bio Tech	3,298	2.5	14.8	Neg
Banks	11,333	1.9	-1.8	15.7
Diversified Financial	6,060	1.2	-4.7	7.0
Insurance	6,366	0.0	19.7	High
Telecom	7,370	1.1	15.4	18.2
Utilities	7,178	0.4	0.1	14.8
REITs	3,877	0.2	-2.5	22.6
Real Estate	3,012	1.9	20.5	High
Software & Services	45,302	1.4	26.2	38.9

Average Index Value

Average days 5	Average days 10	Average days 20	Average value traded for the month (bn)
10,697	10,567	10,410	5.09

Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	18.5	640.10	1,267.10
Previous week	28.6	1,055.30	1,951.40

Top Weighted Companies

Company	Price	Change%
Saudi Aramco	32.80	0.8
Al Rajhi	75.70	2.0
SNB	49.30	2.7
SABIC	94.90	2.0
STC	41.20	1.1



Regional and International Markets

- Among other regional markets, Dubai increased 0.5%, while Abu Dhabi remained flat. Qatar increased 0.9%, while Kuwait and Egypt declined 0.3% each. Oman declined 0.1%, while Bahrain closed flat.
- US job opening were down 632,000 to 9.9mn in February (consensus: 10.4mn) as compared to 10.6mn in January. The job openings rate fell to 6.0% in February from 6.4% in January. The number of people voluntarily quitting their positions increased 146,000 to 4.0mn. (Source: Econoday, Reuters)
- US factory orders declined 0.7% M/M in February (consensus: -0.4% M/M) as compared to decline of 2.1% M/M in January. (Source: Econoday)
- US motor vehicle sales were registered at 14.8mn in March (consensus: 14.9mn) as compared to previously reported sales of 15.0mn. (Source: Econoday)
- Eurozone producer prices increased 13.2% Y/Y in February (consensus: 13.5% Y/Y) at a slower rate as compared to previously revised rise of 15.1% Y/Y, almost entirely due to declining energy prices. (Source: Econoday)
- Oil prices increased 0.7%, as investors assessed the proposed production cuts by OPEC+ against weak economic data from China and the United States that could indicate a decline in oil demand.
- Gold prices increased 1.8%, as the US dollar and treasury yields dropped while weaker US economic data encouraged bets for slower rate hikes.

Forex / Currency

Currency / USD	Close	Daily Change%	MTD %	YTD %
Dollar Index	101.59	-0.5	-3.1	-1.9
Euro	1.10	0.5	3.6	2.3
Japanese Yen	131.71	-0.6	-3.3	0.4
Sterling Pound	1.25	0.7	4.0	3.5
Chinese Yuan	6.88	0.0	-1.1	-0.6
Indian Rupee	82.33	0.0	-0.4	-0.5
UAE Dirham	3.67	0.0	0.0	0.0
Qatari Rial	3.67	0.0	0.3	0.1
Kuwaiti Dinar	0.31	-0.1	-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	30.90	-0.1	0.9	24.8

Corporate Calendar

Date	Company	Event
5 th Apr	QACCO	Cash Dividend Distribution
5 th Apr	ALDAWAA	Eligibility for Cash Dividend
5 th Apr	TADWEEER	EGM
5 th Apr	Academy of Learning	Eligibility for Cash Dividend
5 th Apr	AMERICANA	Eligibility for Cash Dividend
5 th Apr	Foods Gate	Listing date

*EGM: Extra Ordinary Meeting

*OGM: Ordinary General Meeting

Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	3,455	0.5	0.8	3.8	9.9
Abu Dhabi (ADX)	9,504	0.0	0.3	-7.4	16
Kuwait (KSE)	5,469	-0.3	-0.6	-2.3	12.1
Qatar (QE)	10,396	0.9	1.8	-2.7	11.5
Oman (MSM)	4,786	-0.1	-1.6	-1.5	10.9
Bahrain (BSE)	1,889	0.0	0.1	-0.3	7.9
Egypt (EGX30)	16,998	-0.3	3.5	16.4	6.7

International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	33,402	-0.6	2.3	0.8	19.9
Nasdaq	13,100	-0.4	8.8	19.7	29.1
S&P 500	4,101	-0.6	3.3	6.8	19.6
FTSE 100	7,635	-0.5	-3.1	2.5	11.0
Germany DAX 30	15,603	0.1	1.6	12.1	12.4
France CAC 40	7,345	0.0	1.1	13.5	12.1
Japan Nikkei 225	28,287	0.4	3.1	8.4	23.2
Russia MOEX	2,480	0.3	10.1	15.1	2.1
Hong Kong Hang Seng	20,275	-0.7	2.5	2.5	13.1
South Korea KOSPI	2,481	0.3	2.8	10.9	12.6
China Shanghai Composite	3,313	0.5	1.0	7.2	13.0
Australia ASX 200	7,236	0.2	-0.3	2.8	14.7
India Sensex	59,106	0.0	0.2	-2.9	22.3
MSCI EM	988	-0.2	2.4	3.3	12.7
MSCI World	2,797	-0.2	3.0	7.5	17.8

Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	87.46	1.6	4.8	3.8
Brent Crude (\$/bbl)	84.94	0.0	1.3	-1.1
Texas crude (\$/bbl)	80.71	0.4	4.8	0.6
Natural Gas (\$/mmbtu)	2.11	0.4	-23.3	-46.2
Gold (\$/oz)	2,020.42	1.8	10.6	10.8
Silver (\$/oz)	25.01	4.3	19.6	4.4
Steel (\$/ton)	1,171.00	-0.3	11.1	57.4
Iron Ore (CNY/MT)	955.50	-0.7	4.2	11.5
Wheat (\$/bu)	691.50	-0.3	-2.0	-13.4
Corn (\$/bu)	653.75	-0.6	3.7	-3.6
Sugar (\$/lb)	22.47	0.3	12.0	20.0
SMP* (EUR/MT)	2,418.00	-0.7	-6.8	-12.9

*SMP: Skimmed Milk Powder

Interbank Rates

Region	Rate*	Daily Change(bps)	MTD (bps)	YTD (bps)
KSA (SAIBOR 1M)	5.38	3.9	13.4	65.3
KSA (SAIBOR 3M)	5.72	4.3	13.8	37.9
KSA (SAIBOR 6M)	5.63	-4.2	-13.5	3.2
KSA (SAIBOR 12M)	5.65	-1.0	-18.1	-21.6
USD (LIBOR 3M)	5.22	0.0	26.0	45.5
UAE (EIBOR 3M)	4.95	0.0	5.0	63.8

Data Sources: Tadawul, Bloomberg, Reuters
Closes as of April 4, 2023

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

Market data	
Exchange Market Cap. (SAR bn)	10,198.9
Value (SAR mn)	6,701.2
Volume (mn)	232.2
Number of Transactions	441,464
Market Breadth	143 : 70

Key statistics	
1D return %	1.31%
MTD return %	3.39%
QTD return	3.39%
YTD return	4.49%
ADT vol. 3M* (mn)	160.1
ADT val. 3M (SARmn)	4,382.3

*ADT stands for Average Daily Traded

TASI market commentary

- TASI witnessed a rise on Tuesday which was led by index heavyweight Banks (1.89% D/D) and Materials (1.69% D/D) sectors. At close, the Saudi market ended the day with a change of 1.31% at 10,949. In terms of activity, total volumes and value traded were ~232mn and ~SAR 6.7bn respectively. The advance-decline ratio came in at 143/70.

Technical outlook

- TASI gained 142 points to close Tuesday's session near 10,949 points. The index developed a marubozu candlestick which has just penetrated the resistance of the previous medium-term peak near the level of 10,860 to finish a bullish reversal double-bottom price pattern. The bullish price pattern assigns a first minimum target near 11,400. Moreover, the RSI indicator penetrated its previous peaks and recently exceeded its 70 level reflecting the powerful bullishness in prices. The index has immediate resistance near a previous minor peak near 10,960 where some profit booking action may occur; if penetrated, it will pave the way toward 11,100 followed by 11,170. On the other hand, immediate support is seen around 10,860 followed by 10,750; if breached, the index would be expected to reach the support level near 10,660. Traders are advised to buy and keep track of a protective stop loss below 10,750.

Key price levels						
S3	S2	S1	Pivot	R1	R2	R3
10,600	10,660	10,750	10,860	10,960	11,100	11,170



Source: Bloomberg, Argaam

TASI daily chart

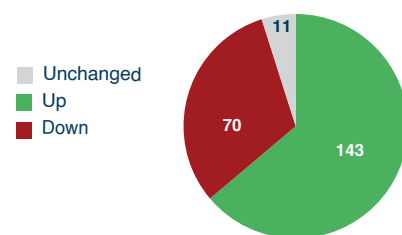


Source: Tradingview, Aljazira Capital

Our view



Market depth



SAUDI MARKET - TOP PICKS FOR THE WEEK

Code	Company	Close*	Buy range	Target 1	Target 2	Reward %	Stop loss
4003	United Electronics Co. (Extra)	81.80	81.00 – 81.80	85.10	87.50	6.97%	79.50
3003	City Cement Co. (City Cement)	21.62	21.40 – 21.62	22.26	22.66	4.81%	21.20

* As of 04th April 2023

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

CHARTS OF THE WEEK

Technical observations

Extra finished a bullish continuation rectangle price pattern with heavy volume. Moreover, the RSI indicator shows a bullish structure which confirms the uptrend of the price. We recommend buying the stock in a range of SAR81.00 – 81.80, for a target of SAR85.10 followed by SAR87.50, with a stop loss below SAR79.50 on a closing basis.

United Electronics Co. (Extra)



Source: Tradingview, AlJazira Capital

Technical observations

City Cement finished a bullish continuation cup and handle price pattern with heavy volume. Moreover, the RSI line shows a bullish signal which confirms the price action. We recommend buying the stock in a range of SAR21.40 – 21.62, for a target of SAR22.26 followed by SAR22.66, with a stop loss below SAR21.20 on a closing basis.

City Cement Co. (City Cement)



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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