



Major Economic News

- The Saudi Central Bank announced hiking its reverse repo rate by 25 bps from 500bps to 525bps. Repo rate was also raised by 25bps to 575 bps from 550 bps. (Source: Argaam)
- Saudi bank loans granted to public and private sectors rose 11% Y/Y by the end of March to SAR 2.48tn, compared to SAR 2.23tn a year earlier. Private sector lending also increased by 10% Y/Y to SAR 2.35tn for the same month. (Source: Argaam)
- The International Monetary Fund expects Saudi Arabia's non-oil GDP to grow by 4.9% and 4.2% in FY23 and FY24. IMF anticipated the Saudi economy to grow by 3.1% in FY23, an upward revision from its previous estimate of 2.6% in January (Source: Argaam)

Major Corporate News

- Kingdom Holding Co. announced an additional investment of SAR 228.2mn (GBP 48.6mn) in M&G plc, one of the largest insurance and asset management companies in Europe. (Source: Tadawul)
- Naba Alsaha Medical Services Co. announced the details of the SAR 22.0mn purchase agreement signed to acquire Al Anwar Medical Co. (Source: Tadawul)
- The Capital Market Authority approved the application received from Electrical Industries Co. to increase its capital to SAR 562.5mn from SAR 450.0mn via a one-for-four bonus share distribution. (Source: Tadawul)

Earnings update (Net Profit) (SAR mn)

Company	Q1-23	Q1-22	Y/Y %	Q4-22	Q/Q %
AMERICANA	217.9	269.9	-19.2	237.8	-8.3
MARAFIQ	106.7	142.9	-25.3	131.2	-18.7
SABIC	660	6,470	-89.8	290	127.6

Market Analysis

- The Saudi Stock Exchange decreased 1.3% to 11,073.2. The value traded stood at SAR 6.0bn (up 8.2% over previous day), while the advance-decline ratio stood at 33/180. The parallel market index decreased 0.9% to 20,670.9 points. The value traded stood at SAR 18.6mn (down 63.6% over previous day). Most sectors in the main market ended in the red. Utilities (up 0.3%) was the only gainer; Telecom and Pharma & Bio Tech (down 3.0% and 2.2%, respectively) led the laggards.

Top Gainers

Company	Price	Change%
ALSAIF GALLERY	90.70	3.2
RETAL	12.58	3.0
NAQI	88.60	2.6
EAST PIPES	55.40	2.4
NADEC	30.10	2.4

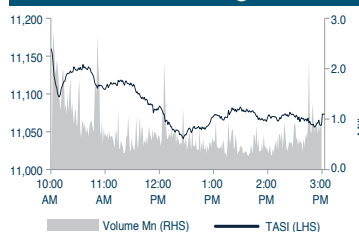
Top Losers

Company	Price	Change%
ALINMA	30.90	-5.7
AMLAQ	16.40	-5.5
DAR ALARKAN	14.98	-5.4
AMERICANA	3.91	-4.4
SADAFICO	281.20	-4.4

Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	11,073	11,159	11,039	-1.3	5.7
NomuC	20,671	20,762	20,574	-0.9	6.5

TASI movement during session



TASI Ratios

P/E* (x)	19.3
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	5,948	-1.0	9.6	12.9
Materials	6,481	-1.3	3.0	15.8
Capital Goods	6,548	-0.6	25.3	18.7
Commercial Service	3,629	-1.4	20.1	29.4
Transportation	5,501	-0.9	21.1	High
Consumer Durables	4,747	-1.2	12.4	Neg
Consumer Services	4,859	-2.1	31.7	49.2
Media	24,239	-1.6	12.8	25.3
Retailing	7,941	-1.1	10.7	21.7
Food & Staples	10,340	-0.4	21.1	21.1
Food & Beverages	5,293	-0.6	14.1	32.5
Healthcare	11,366	-0.5	24.8	High
Pharma & Bio Tech	3,298	-2.2	14.8	Neg
Banks	11,141	-1.4	-3.5	14.5
Diversified Financial	6,300	-0.9	-1.0	7.3
Insurance	6,450	-1.0	21.3	High
Telecom	7,736	-3.0	21.1	18.2
Utilities	7,595	0.3	5.9	13.5
REITs	3,957	-0.3	-0.5	31.4
Real Estate	3,064	-2.1	22.6	High
Software & Services	44,570	-2.1	24.2	34.3

Average Index Value

Average days 5	Average days 10	Average days 20	Average value traded for the month (bn)
11,231	11,209	11,046	5.62

Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	22.5	799.00	1,600.70
Previous week	19.5	668.70	1,209.70

Top Weighted Companies

Company	Price	Change%
Saudi Aramco	35.10	-1.0
Al Rajhi	74.10	-1.5
SNB	49.70	0.6
SABIC	89.90	-0.7
STC	42.55	-3.3



Regional and International Markets

- Among other regional markets, Dubai increased 0.1%, while Abu Dhabi decreased 0.3%. Qatar and Oman increased 1.5% and 0.1%, respectively, while Bahrain declined 0.2%. Meanwhile, Egypt and Kuwait remained flat.
- The Federal Reserve increased interest rates 25bps and hinted that future increases might be to assess the effects of recent bank failures, watch for an end to the political standoff over the United States' debt ceiling, and track inflation trends. The Fed's benchmark overnight interest rate was increased by a unanimous vote to a range of 5.00%-5.25%. (Source: Econoday)
- According to EIA, oil inventories in the US decreased 1.3barrels (prior: down 5.1mn) to 459.6mn in the week ended April 21. Gasoline inventories up 1.7mn barrels (prior: down 2.4mn) to 222.9mn, while distillate inventories down 1.2 barrels (prior: down 0.6mn) to 110.3. (Source: EIA, Econoday)
- US PMI services index edged lower 53.6 in April (consensus: 53.7) as compared to 52.6 in March. (Source: Econoday)
- Oil prices declined 4.0%, after the US Federal Reserve raised interest rates and as investors worried about the economy, stock prices continued their steep losses from the previous session.
- Gold prices increased 1.1%, as the US Federal Reserve delivered a widely expected rate hike and signalled a pause in further increases.

Forex / Currency

Currency / USD	Close	Daily Change%	MTD %	YTD %
Dollar Index	101.34	-0.6	-0.3	-2.1
Euro	1.11	0.6	0.4	3.3
Japanese Yen	134.71	-1.3	-1.2	2.7
Sterling Pound	1.26	0.8	0.0	4.0
Chinese Yuan	6.92	-0.2	-0.1	0.0
Indian Rupee	81.83	0.0	0.0	-1.1
UAE Dirham	3.67	0.0	0.0	0.0
Qatari Rial	3.65	0.0	0.0	-0.6
Kuwaiti Dinar	0.31	-0.1	-0.1	0.1
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	0.0	24.8

Corporate Calendar

Date	Company	Event
4 th May	Fitahi Group	EGM
4 th May	Najran Cement	Cash Dividend Distribution
7 th May	SHARQIYAH DEV	EGM
7 th May	Saudi Cement	Cash Dividend Distribution
7 th May	SNB	Eligibility for 33.99% bonus shares
7 th May	SNB	EGM

*EGM: Extra Ordinary Meeting

*OGM: Ordinary General Meeting

Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	3,578	0.1	0.9	7.5	9.0
Abu Dhabi (ADX)	9,645	-0.3	-1.5	-6.1	16.5
Kuwait (KSE)	5,574	0.0	-0.6	-0.4	11.4
Qatar (QE)	10,485	1.5	3.0	-1.8	11.5
Oman (MSM)	4,728	0.1	0.2	-2.7	10.2
Bahrain (BSE)	1,902	-0.2	-0.1	0.4	7.9
Egypt (EGX30)	17,295	0.0	-2.1	18.5	6.9

International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	33,414	-0.8	-2.0	0.8	19.3
Nasdaq	13,030	-0.6	-1.6	19.1	29.0
S&P 500	4,091	-0.7	-1.9	6.5	19.6
FTSE 100	7,788	0.2	-1.0	4.5	10.9
Germany DAX 30	15,815	0.6	-0.7	13.6	13.3
France CAC 40	7,404	0.3	-1.2	14.4	12.6
Japan Nikkei 225	29,158	0.0	1.0	11.7	24.0
Russia MOEX	2,532	-1.9	-3.9	17.6	3.3
Hong Kong Hang Seng	19,699	-1.2	-1.0	-0.4	11.2
South Korea KOSPI	2,501	-0.9	-0.0	11.8	12.8
China Shanghai Composite	3,323	0.0	0.0	7.6	15.2
Australia ASX 200	7,197	-1.0	-1.5	2.3	14.6
India Sensex	61,193	-0.3	0.1	0.6	23.2
MSCI EM	970	-0.4	-0.8	1.4	12.6
MSCI World	2,796	-0.2	-1.4	7.4	17.7

Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	76.27	-6.5	-5.7	-9.5
Brent Crude (\$/bbl)	72.33	-4.0	-9.1	-15.8
Texas crude (\$/bbl)	68.60	-4.3	-10.7	-14.5
Natural Gas (\$/mmbtu)	2.17	-2.0	-10.0	-46.4
Gold (\$/oz)	2,038.97	1.1	2.5	11.8
Silver (\$/oz)	25.58	0.8	2.1	6.8
Steel (\$/ton)	1,105.00	1.7	3.4	48.5
Iron Ore (CNY/MT)	850.00	0.0	0.0	-0.8
Wheat (\$/bu)	639.75	5.0	0.9	-20.3
Corn (\$/bu)	588.50	1.5	0.6	-12.4
Sugar (\$/lb)	25.17	0.1	-4.5	40.0
SMP* (EUR/MT)	2,413.00	-0.1	0.9	-13.1

*SMP: Skimmed Milk Powder

Interbank Rates

Region	Rate*	Daily Change(bps)	MTD (bps)	YTD (bps)
KSA (SAIBOR 1M)	5.57	3.0	36.0	84.4
KSA (SAIBOR 3M)	5.68	1.0	9.8	34.4
KSA (SAIBOR 6M)	5.68	-1.3	-1.7	7.9
KSA (SAIBOR 12M)	5.73	-0.7	-12.0	-14.2
USD (LIBOR 3M)	5.34	3.4	37.4	56.9
UAE (EIBOR 3M)	5.17	1.0	18.3	86.5

Data Sources: Tadawul, Bloomberg, Reuters

Closes as of May 03, 2023



Technical observations	
Index	TASI
Ticker	SASEIDX Index
Last Close	11,073
Short-term view	Neutral
52 weeks high/low	13,949 – 9,931

Market data	
Exchange Market Cap. (SAR bn)	10,713.6
Value (SAR mn)	5,970.7
Volume (mn)	231.5
Number of Transactions	420,412
Market Breadth	33 : 180

Key statistics	
1D return %	-1.30%
MTD return %	-2.07%
QTD return	4.56%
YTD return	5.68%
ADT vol. 3M* (mn)	173.1
ADT val. 3M (SARmn)	4,760.9

*ADT stands for Average Daily Traded

TASI market commentary

- TASI witnessed a decline on Wednesday which was led by index heavyweight Telecommunication Services (-2.96% D/D) and Banks (-1.43% D/D) sectors. At close, the Saudi market ended the day with a change of -1.30% at 11,073. In terms of activity, total volumes and value traded were ~232mn and ~SAR 6.0bn respectively. The advance-decline ratio came in at 33/180.

Technical outlook

- TASI closed near 11,073 after losing 145 points. The index resumed the profit-booking attitude and breached its 10-day SMA, however, it is currently heading to test its 20-day SMA where a possible buying power may appear to halt the sell-off and push the index higher. The RSI indicator displayed a non-failure swing which threw the RSI line below its overbought zone and is currently approaching its 50 level where frequent short-term reversals occur. TASI currently has immediate support near the 20-day SMA near 11,000. If breached, the index would be expected to meet the next support near 10,960. Immediate resistance is seen around the level of 127.2% Fibonacci external retracement near 11,100 followed by the level of the 10-day SMA near 11,190. If penetrated, the level of 11,250 will be the next resistance. Traders are advised to closely monitor the current profit-booking action, cautiously buy with the appearance of a buying power near the 20-day SMA near 11,000 and keep track of a stop loss below it.

Key price levels						
S3	S2	S1	Pivot	R1	R2	R3
10,850	10,960	11,000	11,100	11,190	11,250	11,330



Source: Bloomberg, Argaam

TASI daily chart

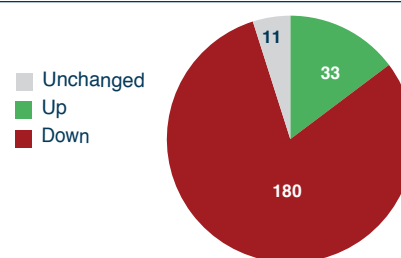


Source: Tradingview, Aljazira Capital

Our view



Market depth



SAUDI MARKET - TOP PICKS FOR THE WEEK

Code	Company	Close*	Buy range	Target 1	Target 2	Reward%	Stop loss
1322	Al Masane Al Kobra Mining Co.	79.20	78.40 – 79.20	81.50	83.20	5.05%	77.50

* As of 03rd May 2023

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

CHARTS OF THE WEEK

Technical observations

AMAK is currently re-testing the cleared resistance level of the prior peak where buying power started to appear. Moreover, the RSI indicator is testing its rising trendline confirming the uptrend of the price. We recommend buying the stock in a range of SAR78.40 – 79.20, for a target of SAR81.50 followed by SAR83.20, with a stop loss below SAR77.50 on a closing basis.

Al Masane Al Kobra Mining Co. (AMAK)



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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