



Major Economic News

- The point-of-sale transactions reached nearly SAR 11.6bn in the week ended May 6, compared to SAR 10.4bn in the week before. Data showed that about 172.6mn transactions were processed during the week (Source: Argaam)
- Remittances from expatriates in Saudi Arabia declined 35% Y/Y to SAR 9.6bn in March. On a M/M basis, remittances from expats in Saudi Arabia fell 2%. (Source: Argaam)
- Tadawul-listed banks reported a 17% rise in aggregate net profit to SAR 17.2bn in Q1-23, compared to SAR 14.7bn a year earlier mostly on higher net special commission income. (Source: Argaam)

Major Corporate News

- The National Company for Glass Industries' board of directors recommended reducing the stock's nominal value from SAR 10 to SAR 1. Consequently, the total number of shares will increase from 32.9mn to 329.0mn. (Source: Tadawul)
- Saudi Azm for Communication and Information Technology Co. signed a 730-day contract worth SAR 11.7mn with the Small & Medium Enterprises General Authority (Monsha'at). (Source: Tadawul)
- Edarat Communication and Information Technology Co. was awarded a framework agreement with NEOM, to provide cloud hosting services. (Source: Tadawul)

Earnings update (Net Profit) (SAR mn)

Company	Q1-23	Q1-22	Y/Y %	Q4-22	Q/Q %
Mobily	465.0	319.0	45.8	606.0	-23.3
Alujain	-7.2	55.8	NM	-18.2	NM
GASCO	73.0	73.0	0.0	54.7	33.5
Halwani Bros	1.6	19.7	-91.7	8.0	-79.6

Market Analysis

- The Saudi Stock Exchange decreased 0.1% to 11,293.2. The value traded stood at SAR 5.7bn (down 6.7% over previous day), while the advance-decline ratio stood at 83/132. The parallel market index increased 0.5% to 21,151.9 points. The value traded stood at SAR 21.3mn (down 22.5% over previous day). Most sectors in the main market ended in the red. Pharma & Bio Tech and Software and Services (up 1.4% and 0.8%, respectively) advanced the most; Utilities and Capital Goods (down 1.4% and 0.6%, respectively) led the laggards.

Top Gainers

Company	Price	Change%
ALSAGR INSURANCE	17.72	9.9
NAQI	89.00	3.6
ALJAZIRA REIT	17.38	3.6
TASNEE	14.46	3.4
EIC	41.25	3.1

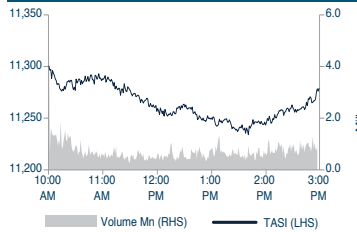
Top Losers

Company	Price	Change%
SHARQIYAH DEV	24.16	-8.1
SAUDI ELECTRICITY	22.94	-6.1
TAPRCO	18.04	-4.0
AMIANIT	40.40	-3.8
TAKWEEN	10.22	-3.4

Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	11,293	11,302	11,234	-0.1	7.8
NomuC	21,152	21,152	20,951	0.5	8.9

TASI movement during session



TASI Ratios

P/E* (x)	20.4
Price-to-Book (x)	2.3
Dividend Yield (%)	2.7
Return on Equity (%)	25.4

*Source: Argaam (Excluding Aramco)

Index	Close	Daily Change%	YTD %	PE (TTM)
Energy	6,241	-0.2	15.0	13.5
Materials	6,656	0.7	5.8	16.2
Capital Goods	6,627	-0.6	26.8	19.2
Commercial Service	3,629	-0.1	23.6	30.3
Transportation	5,515	-0.4	21.4	High
Consumer Durables	4,837	-0.4	14.5	Neg
Consumer Services	4,792	-0.4	29.9	48.5
Media	24,217	-0.5	12.7	25.3
Retailing	8,104	0.4	13.0	22.1
Food & Staples	10,229	-0.5	19.8	21.1
Food & Beverages	5,324	0.3	14.7	32.6
Healthcare	11,324	-0.2	24.3	High
Pharma & Bio Tech	3,423	1.4	19.1	Neg
Banks	11,268	-0.2	-2.4	14.7
Diversified Financial	6,426	-0.2	1.0	7.4
Insurance	6,587	-0.5	23.9	High
Telecom	7,955	0.2	24.5	18.8
Utilities	7,621	-1.7	6.2	13.4
REITs	3,894	-0.1	-2.0	30.9
Real Estate	3,100	-0.2	24.0	High
Software & Services	46,327	0.8	29.1	35.7

Average Index Value

Average days 5	Average days 10	Average days 20	Average value traded for the month (bn)
11,246	11,239	11,147	5.5

Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	22.3	860.90	1,567.30
Previous week	27.2	974.70	1,943.40

Top Weighted Companies

Company	Price	Change%
Saudi Aramco	33.55	-0.1
Al Rajhi	75.20	-0.4
SNB	36.15	-1.2
SABIC	92.20	0.7
STC	44.45	1.5

Regional and International Markets

- Among other regional markets, Dubai and Abu Dhabi increased 0.1% and 0.4%, respectively. Egypt and Bahrain increased 1.0% and 0.6%, respectively, while Oman and Qatar declined 0.4% and 0.2%, respectively. Meanwhile, Kuwait remained flat.
- US CPI increased 4.9% Y/Y in April (consensus: 5.0% Y/Y) easing slightly as compared to increase of 5.0% Y/Y in March. Excluding food and energy, prices increased 5.5% Y/Y (consensus: 5.5% Y/Y) as compared to 5.6% in March. (Source: Econoday)
- According to EIA, oil inventories in the US increased 3.0barrels (prior: down 1.3mn) to 462.6mn in the week ended May 5. Gasoline inventories were down 3.2mn barrels (prior: up 1.7mn) to 219.7mn, while distillate inventories down 4.2 barrels (prior: down 1.2mn) to 106.2. (Source: EIA, EIA, Econoday).
- China CPI increased 0.1% Y/Y in April (consensus: 0.3% Y/Y) as compared to rise of 0.7% Y/Y in March. (Source: Econoday)
- China PPI declined 3.6% Y/Y in April (consensus: -3.2% Y/Y) as compared to decline of 2.5% Y/Y in March. (Source: Econoday)
- Oil prices fell 1.3%, as economic data suggested that the US Federal Reserve might hike interest rates further.
- Gold prices edged lower 0.2%, as the US dollar firmed and investors positioned for April US inflation data, which could have a bearing on the Federal Reserve's interest rate policy.

Forex / Currency

Currency / USD	Close	Daily Change%	MTD %	YTD %
Dollar Index	101.48	-0.1	-0.2	-2.0
Euro	1.10	0.2	-0.3	2.6
Japanese Yen	134.34	-0.7	-1.4	2.5
Sterling Pound	1.26	0.0	0.5	4.5
Chinese Yuan	6.94	0.2	0.2	0.2
Indian Rupee	82.00	-0.1	0.2	-0.9
UAE Dirham	3.67	0.0	0.0	0.0
Qatari Rial	3.65	0.0	0.0	-0.6
Kuwaiti Dinar	0.31	0.0	0.0	0.2
Omani Rial	0.38	-0.1	-0.1	-0.1
Bahraini Dinar	0.38	0.0	0.0	0.0
Egyptian Pound	30.94	0.0	0.1	25.0

Corporate Calendar

Date	Company	Event
11 th May	SHARQIYAH DEV	Start of rights issue and subscription to new shares
11 th May	Amiantit	Eligibility for subscription to the rights issue
11 th May	Amiantit	EGM
11 th May	Alinma	Cash Dividend Distribution
11 th May	SULAIMAN ALHABIB	Eligibility for Cash Dividend
11 th May	Riyadh Cement	Cash Dividend Distribution

*EGM: Extra Ordinary Meeting

*OGM: Ordinary General Meeting

Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	3,573	0.1	0.8	7.3	9.0
Abu Dhabi (ADX)	9,724	0.4	-0.7	-5.3	16.4
Kuwait (KSE)	5,552	0.0	-1.0	-0.8	11.3
Qatar (QE)	10,729	-0.2	5.4	0.4	12.4
Oman (MSM)	4,654	-0.4	-1.4	-4.2	10.2
Bahrain (BSE)	1,935	0.6	1.6	2.1	9.1
Egypt (EGX30)	17,495	1.0	-1.0	19.8	6.9

International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	33,531	-0.1	-1.7	1.2	19.3
Nasdaq	13,348	1.1	0.8	22.0	29.3
S&P 500	4,138	0.4	-0.8	7.8	19.7
FTSE 100	7,741	-0.3	-1.6	3.9	10.8
Germany DAX 30	15,896	-0.4	-0.2	14.2	13.4
France CAC 40	7,361	-0.5	-1.7	13.7	12.6
Japan Nikkei 225	29,122	-0.4	0.9	11.6	23.9
Russia MOEX	2,549	0.8	-3.3	18.3	3.3
Hong Kong Hang Seng	19,762	-0.5	-0.7	-0.1	11.1
South Korea KOSPI	2,497	-0.5	-0.2	11.6	13.9
China Shanghai Composite	3,319	-1.1	-0.1	7.4	15.2
Australia ASX 200	7,256	-0.1	-0.7	3.1	14.7
India Sensex	61,940	0.3	1.4	1.8	23.4
MSCI EM	980	-0.3	0.3	2.4	12.7
MSCI World	2,823	0.3	-0.5	8.4	17.5

Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	78.49	-0.5	-2.9	-6.8
Brent Crude (\$/bbl)	76.41	-1.3	-3.9	-11.1
Texas crude (\$/bbl)	72.56	-1.6	-5.5	-9.6
Natural Gas (\$/mmbtu)	2.19	-3.4	-9.1	-45.9
Gold (\$/oz)	2,030.09	-0.2	2.0	11.3
Silver (\$/oz)	25.40	-0.8	1.4	6.0
Steel (\$/ton)	1,095.00	-0.4	2.4	47.2
Iron Ore (CNY/MT)	842.00	-2.0	-0.9	-1.8
Wheat (\$/bu)	641.25	-0.3	1.2	-20.1
Corn (\$/bu)	594.00	1.6	1.5	-11.6
Sugar (\$/lb)	26.66	1.8	1.2	48.3
SMP* (EUR/MT)	2,423.00	0.9	1.3	-12.7

*SMP: Skimmed Milk Powder

Interbank Rates

Region	Rate*	Daily Change(bps)	MTD (bps)	YTD (bps)
KSA (SAIBOR 1M)	5.55	-4.8	33.3	81.6
KSA (SAIBOR 3M)	5.89	1.5	29.8	54.5
KSA (SAIBOR 6M)	5.77	0.0	7.4	17.0
KSA (SAIBOR 12M)	5.74	-0.5	-11.1	-13.3
USD (LIBOR 3M)	5.34	0.2	37.7	57.2
UAE (EIBOR 3M)	5.31	15.7	31.6	99.7

Data Sources: Tadawul, Bloomberg, Reuters
Closes as of May 10, 2023



Technical observations	
Index	TASI
Ticker	SASEIDX Index
Last Close	11,293
Short-term view	Cautious Buy
52 weeks high/low	13,949 – 9,931

Market data	
Exchange Market Cap. (SAR bn)	11,151.9
Value (SAR mn)	5,703.3
Volume (mn)	222.2
Number of Transactions	410,132
Market Breadth	83 : 132

Key statistics	
1D return %	-0.11%
MTD return %	-0.13%
QTD return	6.64%
YTD return	7.78%
ADT vol. 3M* (mn)	176.3
ADT val. 3M (SARmn)	4,868.5

*ADT stands for Average Daily Traded

TASI market commentary

- TASI witnessed a marginal decline on Wednesday which was led by index heavyweight Banks (-0.23% D/D) and Energy (-0.20% D/D) sectors. At close, the Saudi market ended the day with a change of -0.11% at 11,293. In terms of activity, total volumes and value traded were ~222mn and ~SAR 5.7bn respectively. The advance-decline ratio came in at 83/132.

Technical outlook

- TASI closed near 11,293 after losing 12 points. Although the profit booking attempted to continue, a significant buying power appeared to push the index up. TASI developed a Dragonfly Doji candlestick once it tested the support of its 10-day SMA near 11,240. As long as the index is maintained above its 10-day SMA, the short-term trend will remain up keeping the potential of resuming the way toward the medium-term upside target near 11,650. The RSI indicator remains above its 50 level; however, a negative divergence is starting to emerge, which suggests weakness in the uptrend. TASI currently has immediate resistance near the level of the prior peak by 11,330. If penetrated, the next resistance is expected to lay near the level of 11,450 followed by 11,570. Immediate support is seen around the 10-day SMA at 11,240. If breached, the index would be expected to meet the next support at the 20-day SMA near 11,135. Traders should exercise caution until the index surpasses the significant short-term resistance level of 11,330 and enters positive territory, as well as keeping track of a protective stop loss below the 10-day SMA at 11,240.

Key price levels						
S3	S2	S1	Pivot	R1	R2	R3
10,850	11,000	11,135	11,240	11,330	11,450	11,570



Source: Bloomberg, Argaam

TASI daily chart



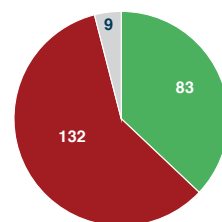
Source: Tradingview, Aljazira Capital

Our view



Market depth

Unchanged
Up
Down



SAUDI MARKET - TOP PICKS FOR THE DAY

Code	Company	Close*	Buy range	Target 1	Target 2	Reward %	Stop loss
1202	Middle East Paper Co.	34.95	34.85 – 34.95	35.25	35.60	1.86%	34.60
1322	Al Masane Al Kobra Mining Co.	79.80	79.60 – 79.80	80.60	81.50	2.13%	79.00
2200	Arabian Pipes Company	54.80	54.65 – 54.80	55.40	56.60	3.28%	54.25
2210	Nama Chemicals Co.	36.10	36.00 – 36.10	36.40	36.90	2.22%	35.75
4190	Jarir Marketing Co.	167.40	167.00 – 167.40	168.90	171.00	2.15%	165.75
6001	Halwani Bros. Co.	58.10	57.95 – 58.10	58.70	59.70	2.75%	57.50
6070	Al-Jouf Agricultural Development Co.	56.00	55.85 – 56.00	56.60	57.20	2.14%	55.45
4002	Mouwasat Medical Services Co.	246.00	245.40 – 246.00	248.50	251.80	2.36%	243.55
4004	Dallah Healthcare Company	169.00	168.60 – 169.00	170.50	172.60	2.13%	167.30
2070	Saudi Pharmaceutical Industries and Medical Appliances Corp	25.95	25.90 – 25.95	26.20	26.50	2.12%	25.70
8180	Al Sagr Cooperative Insurance Co	17.72	17.70 - 17.72	17.90	18.30	3.27%	17.55

* As of 10th May 2023

* Note – Stop loss is based on an intraday basis

CHARTS OF THE DAY

Technical observations

MEPCO started to bounce off the level of the prior medium-term peak with a bullish structure of 10&20-day SMAs. Moreover, all the technical indicators show bullish structure.

Middle East Paper Co. (MEPCO)



Source: Tradingview, AlJazira Capital

Technical observations

AMAK developed a piercing line candlesticks pattern after re-testing the zone of prior medium-term peaks. Moreover, all the technical indicators show bullish structure.

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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