

Major Economic News

- The Public Investment Fund raised its holding of US equities from USD 30.9bn in Q4-22 to USD 35.5bn in Q1-23. (Source: Argaam)
- As per GACA's monthly report, among international airports with more than 15.0mn passengers annually, Riyadh's King Khalid International Airport took the first place with a compliance rate of 64%, followed by Jeddah's King Abdulaziz International Airport with 36%. (Source: Argaam)

Major Corporate News

- Arabian Internet and Communications Services Co. (solutions) inked a four-year contract worth SAR 132mn with stc Bank (a related party) to provide the latter with managed SMS services. (Source: Tadawul)
- Saudi Arabian Mining Co. (Maaden) signed a conditional common shares subscription agreement to acquire 9.9% of Ivanhoe Electric Inc.'s common stock and establish an exploration joint venture in Saudi Arabia. (Source: Tadawul)
- The Capital Market Authority gave the green light for National Shipping Company of Saudi Arabia (Bahri) to increase its capital from SAR 4.9bn to SAR 7.4bn, through a one-for-two bonus issue. (Source: Tadawul)

Earnings update (Net Profit) (SAR mn)

Company	Q1-23	Q1-22	Y/Y %	Q4-22	Q/Q %
Taiba	62.1	20.4	204.9	41.9	48.0
SISCO	19.4	0.8	2,325	18.4	5.4
Astra Industrial	122.9	74.7	64.5	85.7	43.5
SPIMACO	55.2	33.3	65.6	-106.8	NM
NAJRAN CEMENT	29.0	23.2	24.5	49.3	-41.3
Saudi Cement	123.8	61.1	102.6	154.5	-19.9
Theeb	42.3	42.6	-0.7	53.7	-21.2
Al Hammadi	81.4	62.0	31.4	73.2	11.3

Market Analysis

- The Saudi Stock Exchange decreased 1.0% to 11,230.2. The value traded stood at SAR 6.3bn (up 39.1% over previous day), while the advance-decline ratio stood at 95/114. The parallel market index increased 0.8% to 20,565.7 points. The value traded stood at SAR 117.8mn (up 110.9% over previous day). Most sectors in the main market ended in the red. Pharma & Bio Tech (up 3.7% and 2.7%, respectively) advanced the mosst; Banks and Energy (down 1.8% and 1.7%, respectively) led the laggards.

Top Gainers

Company	Price	Change%
SAUDI GERMAN HEALT	45.95	9.9
ANAAM HOLDING	27.80	6.1
ALSAGR INSURANCE	18.36	5.9
CARE	103.00	5.1
TAWUNIYA	111.20	5.1

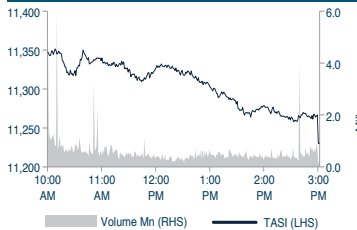
Top Losers

Company	Price	Change%
ALAMAR	128.20	-4.6
ALBAHA	17.02	-4.6
ANB	26.90	-4.1
ALBILAD	38.55	-3.1
BSFR	37.60	-3.1

Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	11,230	11,355	11,230	-1.0	7.2
NomuC	20,566	20,574	20,356	0.8	5.9

TASI movement during session



TASI Ratios

P/E* (x)	20.5
Price-to-Book (x)	2.3
Dividend Yield (%)	2.6
Return on Equity (%)	25.3

*Source: Argaam (Excluding Aramco)

Index	Close	Daily Change%	YTD %	PE (TTM)
Energy	6,171	-1.7	13.7	13.3
Materials	6,638	-0.5	5.5	16.2
Capital Goods	6,771	0.6	29.6	19.5
Commercial Service	3,629	-0.6	23.5	30.3
Transportation	5,601	0.3	23.3	High
Consumer Durables	5,131	0.5	21.4	Neg
Consumer Services	4,885	0.4	32.4	49.1
Media	24,745	2.3	15.1	25.7
Retailing	8,113	0.2	13.1	22.1
Food & Staples	10,291	-0.4	20.5	21.1
Food & Beverages	5,293	-0.7	14.1	32.3
Healthcare	11,164	-0.3	22.5	High
Pharma & Bio Tech	3,483	3.7	21.2	Neg
Banks	11,140	-1.8	-3.5	14.5
Diversified Financial	6,474	-0.4	1.8	7.4
Insurance	6,842	2.7	28.7	High
Telecom	8,004	-0.2	25.3	18.9
Utilities	7,367	-2.0	2.7	13.0
REITs	3,881	-0.3	-2.4	30.7
Real Estate	3,137	0.7	25.5	High
Software & Services	47,207	-1.3	31.5	36.2

Average Index Value

Average days 5	Average days 10	Average days 20	Average value traded for the month (bn)
11,314	11,249	11,210	5.54

Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	10.8	375.10	718.00
Previous week	28.5	1,085.10	1,964.30

Top Weighted Companies

Company	Price	Change%
Saudi Aramco	33.10	-1.8
Al Rajhi	74.70	-1.1
SNB	35.60	-2.3
SABIC	91.00	-1.6
STC	44.95	0.1



Regional and International Markets

- Among other regional markets, Dubai and Abu Dhabi decreased 0.9% and 1.7%, respectively. Oman increased 0.2%, while Qatar, Egypt, Kuwait, and Bahrain declined 1.8%, 1.3%, 0.3% and 0.1%, respectively.
- US overall household debt levels rose by 0.9% to USD 17.1tn during the Q1-23. The bank said new mortgage debt created during the Q1-23 fell to the lowest level since FY14 at USD 324.0bn, while overall mortgage debt for the quarter stood at USD 12.1tn. (Source: Reuters)
- Eurozone industrial production declined 1.4% Y/Y in March (consensus: rise of 1.3% Y/Y) as compared to rise of 2.0% Y/Y in February. On M/M basis, industrial production declined 4.1% Y/Y in March (consensus: -1.6% Y/Y) as compared to rise of 1.5% Y/Y in February. (Source: Econoday)
- China industrial production increased 5.6% Y/Y in April (consensus: 10.7% Y/Y) as compared to rise of 3.9% Y/Y. On M/M basis, industrial production decreased 0.5% Y/Y in April as compared to rise of 0.12% Y/Y. (Source: Econoday)
- China retail sales increased 18.4% Y/Y in April (consensus: 22.0% Y/Y) as compared to rise of 10.6% Y/Y in March. Retail sales increased 0.5% M/M in April as compared to rise of 0.2% M/M in March. (Source: Econoday)
- Oil prices increased 1.4%, boosted by the prospect of tightening supplies in Canada and elsewhere.
- Gold prices increased 0.3%, as the US dollar eased, and investors remained wary of the US debt ceiling standoff that could fuel worries of a global economic slowdown.

Forex / Currency

Currency / USD	Close	Daily Change%	MTD %	YTD %
Dollar Index	102.43	-0.2	0.8	-1.1
Euro	1.09	0.2	-1.3	1.6
Japanese Yen	136.12	0.3	-0.1	3.8
Sterling Pound	1.25	0.6	-0.3	3.7
Chinese Yuan	6.96	-0.2	0.5	0.5
Indian Rupee	82.30	0.2	0.6	-0.5
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	0.3
Omani Rial	0.39	0.0	0.0	0.0
Bahraini Dinar	0.38	0.0	0.0	0.0
Egyptian Pound	30.90	0.0	0.0	24.8

Corporate Calendar

Date	Company	Event
16 th May	SISCO	Dividend payment
16 th May	Saudi Aramco	Eligibility for Cash Dividend
17 th May	MOUWASAT	Cash Dividend Distribution
17 th May	Baazeem	Cash Dividend Distribution
17 th May	Al Rajhi REIT	Start of IPO
17 th May	ALMUNAJEM	Cash Dividend Distribution

*EGM: Extra Ordinary Meeting

*OGM: Ordinary General Meeting

Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	3,525	-0.9	-0.5	5.9	8.6
Abu Dhabi (ADX)	9,471	-1.7	-3.2	-7.7	15.9
Kuwait (KSE)	5,513	-0.3	-1.7	-1.5	11.2
Qatar (QE)	10,479	-1.8	2.9	-1.9	12.1
Oman (MSM)	4,716	0.2	0.0	-2.9	10.3
Bahrain (BSE)	1,938	-0.1	1.8	2.3	9.1
Egypt (EGX30)	17,136	-1.3	-3.0	17.4	6.9

International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	33,349	0.1	-2.2	0.6	19.2
Nasdaq	13,414	0.5	1.3	22.6	29.4
S&P 500	4,136	0.3	-0.8	7.7	19.7
FTSE 100	7,778	0.3	-1.2	4.4	10.9
Germany DAX 30	15,917	0.0	0.0	14.3	13.1
France CAC 40	7,418	0.0	-1.0	14.6	12.6
Japan Nikkei 225	29,626	0.8	2.7	13.5	29.0
Russia MOEX	2,611	1.8	-0.9	21.2	3.4
Hong Kong Hang Seng	19,971	1.8	0.4	1.0	10.8
South Korea KOSPI	2,479	0.2	-0.9	10.9	13.8
China Shanghai Composite	3,311	1.2	-0.4	7.2	14.9
Australia ASX 200	7,267	0.1	-0.6	3.2	14.8
India Sensex	62,346	0.5	2.0	2.5	23.5
MSCI EM	977	0.5	0.0	2.2	12.5
MSCI World	2,819	0.4	-0.6	8.3	17.7

Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	75.97	-0.5	-6.0	-9.8
Brent Crude (\$/bbl)	75.23	1.4	-5.4	-12.4
Texas crude (\$/bbl)	71.11	1.5	-7.4	-11.4
Natural Gas (\$/mmbtu)	2.38	4.8	-1.5	-41.3
Gold (\$/oz)	2,016.49	0.3	1.3	10.6
Silver (\$/oz)	24.09	0.5	-3.9	0.5
Steel (\$/ton)	1,093.00	-0.3	2.2	46.9
Iron Ore (CNY/MT)	831.50	0.0	-2.2	-3.0
Wheat (\$/bu)	660.75	4.1	4.3	-17.7
Corn (\$/bu)	592.50	1.1	1.3	-11.8
Sugar (\$/lb)	26.29	0.3	-0.2	46.2
SMP* (EUR/MT)	2,393.00	-0.4	0.1	-13.8

*SMP: Skimmed Milk Powder

Interbank Rates

Region	Rate*	Daily Change(bps)	MTD (bps)	YTD (bps)
KSA (SAIBOR 1M)	5.53	-9.3	31.8	80.1
KSA (SAIBOR 3M)	5.87	-2.1	28.3	53.0
KSA (SAIBOR 6M)	5.80	0.0	10.2	19.8
KSA (SAIBOR 12M)	5.74	-0.2	-10.6	-12.8
USD (LIBOR 3M)	5.32	0.0	35.6	55.1
UAE (EIBOR 3M)	5.33	0.0	34.2	102.3

Data Sources: Tadawul, Bloomberg, Reuters
Closes as of May 15, 2023



Technical observations	
Index	TASI
Ticker	SASEIDX Index
Last Close	11,230
Short-term view	Neutral
52 weeks high/low	13,949 – 9,931

Market data	
Exchange Market Cap. (SAR bn)	11,030.5
Value (SAR mn)	6,289.1
Volume (mn)	220.8
Number of Transactions	409,107
Market Breadth	95 : 114

Key statistics	
1D return %	-1.04%
MTD return %	-0.69%
QTD return	6.04%
YTD return	7.17%
ADT vol. 3M* (mn)	179.0
ADT val. 3M (SARmn)	4,973.4

*ADT stands for Average Daily Traded

TASI market commentary

- TASI witnessed a decline on Monday which was led by index heavyweight Banks (-1.80% D/D) and Energy (-1.70% D/D) sectors. At close, the Saudi market ended the day with a change of -1.04% at 11,230. In terms of activity, total volumes and value traded were ~221mn and ~SAR 6.3bn respectively. The advance-decline ratio came in at 95/114.

Technical outlook

- TASI closed near 11,230 after losing 118 points. Profit-booking activity continued to close the index below the prior peak's support level and the 50% Fibonacci retracement of the long-term downside move since Aug 2022 near 11,330. Moreover, the index breached its 10-day SMA as well as the prior minor trough, indicating weakness in the short term. The RSI indicator started to point down after developing a negative divergence reflecting the weakness in the trend. TASI currently has immediate support near the 20-day SMA at 11,190. If breached, the index would be expected to meet the next support near 11,160 followed by the level of 11,100. Immediate resistance is seen around the level of 50% Fibonacci retracement near 11,330 followed by the level of the prior peak near 11,450. If penetrated, the next resistance is expected to lay near the level of 161.8% external retracement of the previous short-term profit-booking action near 11,570. Traders are advised to exercise caution and closely monitor the 20-day SMA at 11,190 where a close below it would signal another wave of profit booking.

Key price levels

S3	S2	S1	Pivot	R1	R2	R3
11,100	11,160	11,190	11,250	11,330	11,450	11,570



Source: Bloomberg, Argaam

TASI daily chart



Source: Tradingview, Aljazira Capital

SAUDI MARKET - TOP PICKS FOR THE DAY

Code	Company	Close*	Buy range	Target 1	Target 2	Reward %	Stop loss
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No stocks recommendations due to market volatility

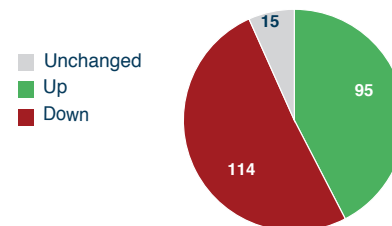
* As of 15th May 2023

* Note – Stop loss is based on an intraday basis

Our view



Market depth



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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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