



Major Economic News

- The Kingdom's total population amounted to 32.2mn people; with 58.4% Saudis and 41.6% non-Saudis, or 18.8mn people and 13.4mn people, respectively. The population average age in Saudi Arabia is 29 years, while the average age of Saudis is 25 years old. (Source: Argaam)
- Saudi Arabia posted a trade surplus of SAR 44.3bn in March. Total exports fell 25% Y/Y to around SAR 106.1bn by the end of the month. Meanwhile, imports increased by 10% Y/Y to SAR 61.8bn during the same period. (Source: Argaam)
- The point-of-sale transactions reached nearly SAR 10.7bn in the week ended May 27, compared to almost SAR 10.1bn in the week before. Data showed that about 163.5mn transactions were processed during the week. (Source: Argaam)
- The Saudi Agricultural and Livestock Investment Co. and Brazil's Marfrig expressed their commitment to buying shares in a potential offering by Brazil's BRF that could total USD 900mn. SALIC offered to subscribe to nearly 50%, or 500.0mn shares of the total offer shares, while Marfrig pledged to buy the remaining 250.0mn shares (Source: Argaam)

Major Corporate News

- Bank AlJazira plans to issue Additional Tier 1 sukuk at a total value of SAR 5.0mn maximum through a private placement in Saudi Arabia. (Source: Tadawul)
- Mulkia Investment Co.'s managed fund, Aljawhara Real Estate Fund, completed exiting an asset by selling raw land in Riyadh, spanning an area of 932,000 sq.m. The asset was sold to another real estate fund at a total value of over SAR 2.65bn. (Source: Tadawul)

Market Analysis

- The Saudi Stock Exchange decreased 1.1% to 11,014.1. The value traded stood at SAR 11.8bn (up 138.8% over previous day), while the advance-decline ratio stood at 58/155. The parallel market index increased 1.6% to 21,278.3 points. The value traded stood at SAR 55.3mn (up 89.8% over previous day). Most sectors in the main market ended in the red. Retailing and Telecom (up 3.3% and 1.2%, respectively) advanced the most; Pharma & Bio Tech and Insurance (down 4.8% and 2.3%, respectively) led the laggards.

Top Gainers

Company	Price	Change%
JARIR	17.60	6.0
JADWA REIT SAUDI	13.80	3.8
SFICO	31.95	3.1
STC	43.25	3.0
ATHEEB TELECOM	63.60	2.8

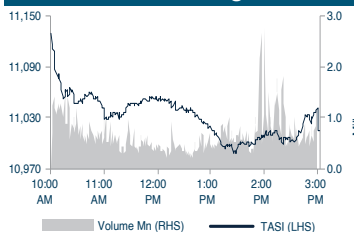
Top Losers

Company	Price	Change%
SPIMACO	38.05	-4.8
SABB	37.00	-4.0
BUPA ARABIA	168.00	-4.0
ALDREES	107.60	-3.9
MOUWASAT	225.00	-3.9

Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	11,014	11,123	10,987	-1.1	5.1
NomuC	21,278	21,537	20,697	1.6	9.6

TASI movement during session



TASI Ratios

P/E* (x)	20.8
Price-to-Book (x)	2.2
Dividend Yield (%)	2.7
Return on Equity (%)	25.1

*Source: Argaam (Excluding Aramco)

Index	Close	Daily Change%	YTD %	PE (TTM)
Energy	5,886	-1.1	8.5	13.4
Materials	6,436	-1.5	2.3	21.7
Capital Goods	6,974	0.1	33.4	19.5
Commercial Service	3,629	-0.6	18.8	27.2
Transportation	5,879	-0.3	29.5	High
Consumer Durables	5,027	-0.7	19.0	Neg
Consumer Services	4,917	0.4	33.2	46.5
Media	23,292	0.8	8.4	23.6
Retailing	8,424	3.3	17.4	23.4
Food & Staples	10,130	-0.9	18.6	20.9
Food & Beverages	5,362	-1.6	15.6	29.5
Healthcare	10,996	-2.0	20.7	49.1
Pharma & Bio Tech	5,020	-4.8	74.7	Neg
Banks	10,994	-1.4	-4.8	14.0
Diversified Financial	6,242	-2.0	-1.9	30.6
Insurance	6,768	-2.3	27.3	High
Telecom	7,707	1.2	20.6	16.8
Utilities	7,095	-1.7	-1.1	13.4
REITs	3,885	0.5	-2.3	30.6
Real Estate	3,250	-1.2	30.0	High
Software & Services	46,974	-0.5	30.9	33.7

Average Index Value

Average days 5	Average days 10	Average days 20	Average value traded for the month (bn)
11,122	11,214	11,241	5.91

Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	26.2	808.20	1,505.30
Previous week	28.9	939.60	1,939.90

Top Weighted Companies

Company	Price	Change%
Saudi Aramco	31.50	-1.1
Al Rajhi	70.70	-1.3
SNB	36.90	-0.8
SABIC	88.20	-2.1
STC	43.25	3.0



Regional and International Markets

- Among other regional markets, Dubai increased 0.3%, while Abu Dhabi decreased 0.8%. Oman increased 0.2%, while Qatar, Kuwait and Egypt declined 1.8%, 0.9% and 0.2%, respectively. Meanwhile, Bahrain closed flat.
- Credit to euro area residents grew at a slower pace of 1.5% Y/Y in April, while credit to general government dropped 0.9% Y/Y. Adjusted loans to the private sector logged a slower growth of 3.3% Y/Y after March's 3.9% Y/Y rise. Among the borrowing sectors, the annual growth in loans to households slowed to 2.5% Y/Y from 2.9% Y/Y. (Source: RTT news)
- Japan's consumer confidence index climbed to 36.0 in May from 35.4 in April. The index was forecast to rise to 36.1. The index reflecting households' willingness to buy durable consumer goods rose to 30.3 from 29.2, while the index for income growth dropped slightly by 0.2 points to 37.9. (Source: RTT news)
- The manufacturing PMI of Japan expanded to 50.6 in May, up from 49.5 in April. May data pointed to a rise in output levels for the first time since June 2022 and, although only marginal, the rate of expansion was the fastest for one year. (Source: RTT news)
- Oil prices declined 1.2%, as weak manufacturing data from China instilled fears about demand growth in the second half of the year.
- Gold prices edged up 0.2%, helped by a softer US dollar but were stuck in a tight range as traders focused on the US debt ceiling vote.

Forex / Currency

Currency / USD	Close	Daily Change%	MTD %	YTD %
Dollar Index	104.33	0.2	2.6	0.8
Euro	1.07	-0.4	-3.0	-0.1
Japanese Yen	139.34	-0.3	2.2	6.3
Sterling Pound	1.24	0.2	-1.0	3.0
Chinese Yuan	7.12	0.4	2.8	2.8
Indian Rupee	82.73	0.0	1.1	0.0
UAE Dirham	3.67	0.0	0.0	0.0
Qatari Rial	3.65	0.0	-0.1	-0.6
Kuwaiti Dinar	0.31	0.1	0.4	0.6
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
01 st Jun	Etihad Etisalat	Eligibility for Cash Dividend & EGM
01 st Jun	ALBABTAIN	Eligibility for Cash Dividend
01 st Jun	FESH FASH	Eligibility for Cash Dividend
01 st Jun	Jamjoom Pharma	Close of offering
01 st Jun	Tam	Surplus refund date
02 nd Jun	EPCCO	EGM

*EGM: Extra Ordinary Meeting

*OGM: Ordinary General Meeting

Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	3,577	0.3	0.9	7.4	8.7
Abu Dhabi (ADX)	9,407	-0.8	-3.9	-8.4	15.6
Kuwait (KSE)	7,495	-0.9	-5.3	-7.7	11.0
Qatar (QE)	10,155	-1.8	-0.3	-4.9	11.9
Oman (MSM)	4,626	0.2	-1.9	-4.8	9.9
Bahrain (BSE)	1,964	0.0	3.1	3.6	9.0
Egypt (EGX30)	17,496	-0.2	-1.0	19.8	6.4

International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	32,908	-0.4	-3.5	-0.7	19.0
Nasdaq	14,254	-0.7	7.6	30.3	31.4
S&P 500	4,180	-0.6	0.2	8.9	20.0
FTSE 100	7,446	-1.0	-5.4	-0.1	10.5
Germany DAX 30	15,664	-1.5	-1.6	12.5	12.8
France CAC 40	7,099	-1.5	-5.2	9.7	12.2
Japan Nikkei 225	30,888	-1.4	7.0	18.4	30.4
Russia MOEX	2,718	0.7	3.1	26.2	3.5
Hong Kong Hang Seng	18,234	-1.9	-8.3	-7.8	9.8
South Korea KOSPI	2,577	-0.3	3.0	15.2	15.0
China Shanghai Composite	3,205	-0.6	-3.6	3.7	14.4
Australia ASX 200	7,091	-1.6	-3.0	0.7	14.4
India Sensex	62,622	-0.6	2.5	2.9	23.3
MSCI EM	959	-1.2	-1.9	0.2	12.6
MSCI World	2,801	-0.9	-1.2	7.6	17.8

Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	74.70	-3.1	-7.6	-11.3
Brent Crude (\$/bbl)	72.66	-1.2	-8.6	-15.4
Texas crude (\$/bbl)	68.09	-2.0	-11.3	-15.2
Natural Gas (\$/mmbtu)	2.27	-2.6	-12.1	-45.5
Gold (\$/oz)	1,962.73	0.2	-1.4	7.6
Silver (\$/oz)	23.49	1.3	-6.3	-2.0
Steel (\$/ton)	934.00	-15.0	-12.6	25.5
Iron Ore (CNY/MT)	778.50	-2.2	-8.4	-9.2
Wheat (\$/bu)	594.25	0.5	-6.2	-26.0
Corn (\$/bu)	594.00	0.0	1.5	-11.6
Sugar (\$/lb)	25.06	-1.1	-4.9	39.4
SMP* (EUR/MT)	2,421.00	0.7	1.3	-12.8

*SMP: Skimmed Milk Powder

Interbank Rates

Region	Rate*	Daily Change(bps)	MTD (bps)	YTD (bps)
KSA (SAIBOR 1M)	5.58	7.9	36.4	84.7
KSA (SAIBOR 3M)	5.90	1.3	31.7	56.3
KSA (SAIBOR 6M)	5.83	-1.3	13.7	23.3
KSA (SAIBOR 12M)	5.82	1.7	-2.9	-5.1
USD (LIBOR 3M)	5.50	0.0	53.4	72.9
UAE (EIBOR 3M)	5.22	0.0	23.2	91.4

Data Sources: Tadawul, Bloomberg, Reuters
Closes as of May 31, 2023

Technical observations

Index	TASI
Ticker	SASEIDX Index
Last Close	11,014
Short-term view	Profit Booking
52 weeks high/low	13,949 – 9,931

Market data

Exchange Market Cap. (SAR bn)	10,584.1
Value (SAR mn)	11,799.7
Volume (mn)	341.6
Number of Transactions	454,059
Market Breadth	58 : 155

Key statistics

1D return %	-1.13%
MTD return %	-2.60%
QTD return	4.00%
YTD return	5.11%
ADT vol. 3M* (mn)	189.2
ADT val. 3M (SARmn)	5,432.5

*ADT stands for Average Daily Traded

TASI market commentary

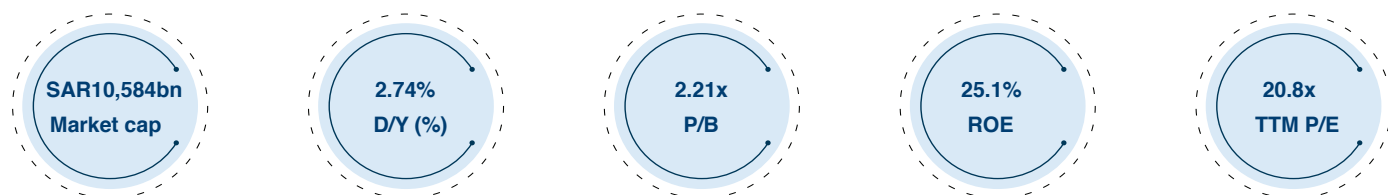
- TASI witnessed a decline on Wednesday which was led by index heavyweight Materials (-1.49% D/D) and Banks (-1.42% D/D) sectors. At close, the Saudi market ended the day with a change of -1.13% at 11,014. In terms of activity, total volumes and value traded were ~342mn and ~SAR 11.8bn respectively. The advance-decline ratio came in at 58/155.

Technical outlook

- TASI closed near 11,014 after losing 126 points. The index witnessed heavy selling pressure while moving within the predominant profit-taking action. TASI formed a bearish Marubozu candlestick; however, it held above the prior short-term trough near 11,000, which may witness a slight positive rebound before its next move is clear. The RSI indicator is still moving down below its 50 level reflecting the weakness of the index in the near term. TASI currently has immediate support near the level of 11,000. If breached, the index would be expected to meet the next significant support near the level of the prior medium-term peak near 10,850. On the other hand, immediate resistance is seen around the level of the prior minor trough near 11,150. If penetrated, the next resistance is expected to lay near the 20-day SMA near 11,240. Traders are advised to exercise caution within the current profit-taking action in the index and wait for a positive apparent reversal signal within the zone between 11,000 – 10,850.

Key price levels

S3	S2	S1	Pivot	R1	R2	R3
10,525	11,675	10,850	11,000	11,150	11,240	11,360



Source: Bloomberg, Argaam

TASI daily chart

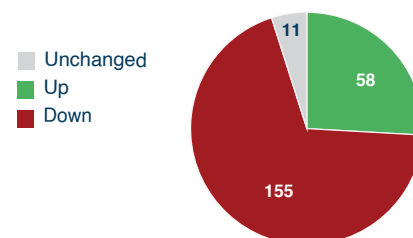


Source: Tradingview, Aljazira Capital

Our view



Market depth



SAUDI MARKET - TOP PICKS FOR THE WEEK

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

* As of 31st May 2023

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

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.

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