



Major Economic News

- The Ministry of Human Resources and Social Development (HRSD) said the number of flexible work contracts documented through the platform amounted to 358,440. (Source: Argaam)
- The POS transactions reached SAR 11.7bn in the week ended June 10, compared to SAR 13.8bn in the week before. Data showed that about 173.9mn transactions were processed during the week. (Source: Argaam)
- The Saudi Ports Authority in partnership with LogiPoint, a subsidiary of Saudi Industrial Services Co., opened a new 72,000 sq.m. -logistics development at Jeddah Islamic Port with an investment of SAR 150.0mn. (Source: Argaam)

Major Corporate News

- Al-Babtain Power and Telecommunication Co.'s board of directors recommended increasing the company's capital by 50% through a one-for-two bonus share distribution, through capitalizing SAR 213.2mn from retained earnings. (Source: Tadawul)
- Saudi Company for Hardware's (SACO) shareholders approved withholding dividends for FY22. Additionally, they supported the buyback of up to 350,000 shares to be held in treasury because the company's board thinks that shares are now trading below their fair value. SACO's internal funds will be used to pay for the share buyback. (Source: Tadawul)
- Leejam Sports Co. established a JV, named Integrated Medical Care Services Co. Ltd with SAR 100,000 capital, in partnership with Burjeel Gulf Medical Care Co., a subsidiary of UAE-based Burjeel Holding Co. Separately, Leejam also announced that its investment subsidiary completed the acquisition of 100% of Al-Tatheer Sports Co. for SAR 12.0mn (Source: Tadawul)

Market Analysis

- The Saudi Stock Exchange decreased 0.1% to 11,516.1 on Thursday. The value traded stood at SAR 9.3bn (up 30.8% over previous day), while the advance-decline ratio stood at 89/116. The parallel market index increased 8.2% to 26,997.6 points. The value traded stood at SAR 71.7mn (up 40.8% over previous day). Most sectors in the main market ended in the red. Consumer Durables and Apparel and Commercial service (up 2.3% and 1.3%, respectively) advanced the most; Software and Services and Consumer services (down 3.1% and 0.6%, respectively) led the laggards.

Top Gainers

Company	Price	Change%
SADR	4.86	10.0
ALASEEL	51.00	5.9
ARABIAN SHIELD	21.10	5.7
ALJAZIRA REIT	19.50	5.4
SASCO	55.50	5.1

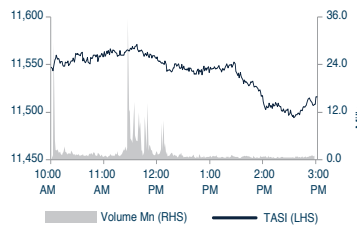
Top Losers

Company	Price	Change%
ALINMA TOKYO M	15.96	-9.9
TECO	0.94	-9.6
SAUDI GERMAN HEALT	74.10	-6.0
SADAFCO	339.00	-5.5
ELM	575.00	-3.9

Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	11,516	11,572	11,491	-0.1	9.9
NomuC	26,998	27,027	24,831	8.2	39.0

TASI movement during session



TASI Ratios

P/E* (x)	21.7
Price-to-Book (x)	2.3
Dividend Yield (%)	2.6
Return on Equity (%)	25.1

*Source: Argaam (Excluding Aramco)

Index	Close	Daily Change%	YTD %	PE (TTM)
Energy	6,100	-0.4	12.4	13.8
Materials	6,622	-0.2	5.3	21.7
Capital Goods	7,675	0.4	46.8	21.6
Commercial Service	4,379	1.3	27.4	28.6
Transportation	6,166	0.0	35.8	High
Consumer Durables	5,383	2.3	27.4	Neg
Consumer Services	5,191	-0.6	40.7	49.3
Media	24,743	1.3	15.1	25.9
Retailing	8,310	-0.1	15.8	24
Food & Staples	10,644	-0.1	24.6	22
Food & Beverages	6,202	0.9	33.7	33.5
Healthcare	11,921	-0.4	30.9	High
Pharma & Bio Tech	5,712	0.7	98.8	Neg
Banks	11,400	-0.3	-1.2	14.3
Diversified Financial	7,082	-0.2	11.3	32.6
Insurance	7,371	1.0	38.6	High
Telecom	7,968	1.3	24.7	17.9
Utilities	7,467	-0.3	4.1	13.9
REITs	3,918	0.6	-1.4	30.9
Real Estate	3,351	-0.4	34.0	High
Software & Services	55,487	-3.1	54.6	40.2

Average Index Value

Average days 5	Average days 10	Average days 20	Average value traded for the month (bn)
11,456	11,388	11,285	6.62

Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	-	-	-
Previous week	34.7	1,475.60	2,196.90

Top Weighted Companies

Company	Price	Change%
Saudi Aramco	32.50	-0.5
Al Rajhi	74.30	0.4
SNB	37.10	-0.5
SABIC	88.30	-0.3
STC	44.10	2.4



Regional and International Markets

- Among other regional markets, Dubai and Abu Dhabi increased 1.5% and 0.7%, respectively. Kuwait increased 0.5%, while Qatar declined 0.2%. Oman and Bahrain declined 0.1% each, while Egypt remained flat.
- According to Baker Hughes, North America's rig count increased to 846 in the week ended June 16 from 831 earlier. The rig count fell to 687 in the US from 695 earlier, while declined to 19 from 20 in the Gulf of Mexico. The rig count in Canada increased to 159 from 136 earlier. (Source: Baker Hughes).
- US initial jobless claims remained unchanged at 262,000 (consensus: 249,000) in the week ended June 10, from the previous week's original level of 261,000. (Source: Econoday)
- US import prices slid by 0.6% M/M in May (consensus: -0.1% M/M) after rising by a downwardly revised 0.3% M/M in April. The bigger than expected decrease in import prices reflected a sharp pullback in prices for fuel imports, which plummeted by 6.4% in May after soaring by 4.1% in April. (Source: Econoday)
- Oil prices increased 1.2%, as higher Chinese demand and OPEC+ supply cuts lifted prices, despite expected weakness in the global economy and the prospect for further interest rate hikes.
- Gold prices remained flat, as investors speculated hawkish US Fed's outlook on interest rates, which offset the support from US dollar's overall weakness.

Forex / Currency

Currency / USD	Close	Daily Change%	MTD %	YTD %
Dollar Index	102.24	0.1	-2.0	-1.2
Euro	1.09	-0.1	2.3	2.2
Japanese Yen	141.82	1.1	1.8	8.2
Sterling Pound	1.28	0.3	3.0	6.1
Chinese Yuan	7.13	0.1	0.1	3.0
Indian Rupee	81.93	-0.3	-1.0	-1.0
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	-0.3	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
18 th Jun	Nayifat	EGM
18 th Jun	AZM	EGM
18 th Jun	Saudi Call Trading	Allocation date
18 th Jun	Allocation date	Eligibility for Cash Dividend
18 th Jun	AME	Eligibility for Cash Dividend
18 th Jun	TIBBIYAH	Eligibility for Cash Dividend

*EGM: Extra Ordinary Meeting

*OGM: Ordinary General Meeting

Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	3,789	1.5	5.9	13.8	9.2
Abu Dhabi (ADX)	9,447	0.7	0.4	-8.0	15.7
Kuwait (KSE)	7,779	0.5	3.8	-4.2	11
Qatar (QE)	10,271	-0.2	1.1	-3.8	11.8
Oman (MSM)	4,681	-0.1	1.2	-3.6	10.1
Bahrain (BSE)	1,956	-0.1	-0.4	3.2	9
Egypt (EGX30)	17,882	0.0	2.2	22.5	6.4

International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	34,299	-0.3	4.2	3.5	19.8
Nasdaq	15,084	-0.7	5.8	37.9	33.3
S&P 500	4,410	-0.4	5.5	14.8	21.1
FTSE 100	7,643	0.2	2.6	2.6	10.8
Germany DAX 30	16,358	0.4	4.4	17.5	13.3
France CAC 40	7,389	1.3	4.1	14.1	12.7
Japan Nikkei 225	33,706	0.7	9.1	29.2	33.2
Russia MOEX	2,801	0.0	3.1	30.0	3.7
Hong Kong Hang Seng	20,040	1.1	9.9	1.3	10.3
South Korea KOSPI	2,626	0.7	1.9	17.4	15.5
China Shanghai Composite	3,273	0.6	2.1	6.0	14.6
Australia ASX 200	7,251	1.1	2.3	3.0	14.7
India Sensex	63,385	0.7	1.2	4.2	23.6
MSCI EM	1,030	0.6	7.5	7.7	13.3
MSCI World	2,962	-0.1	5.8	13.8	18.7

Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	77.51	2.2	3.8	-8.0
Brent Crude (\$/bbl)	76.61	1.2	5.4	-10.8
Texas crude (\$/bbl)	71.78	1.6	5.4	-10.6
Natural Gas (\$/mmbtu)	2.63	3.9	16.2	-36.7
Gold (\$/oz)	1,957.98	-0.0	-0.2	7.3
Silver (\$/oz)	24.20	1.4	3.0	1.0
Steel (\$/ton)	927.00	0.0	-0.7	24.6
Iron Ore (CNY/MT)	873.50	-0.2	12.2	1.9
Wheat (\$/bu)	701.50	4.3	18.0	-12.6
Corn (\$/bu)	597.50	4.0	0.6	-11.1
Sugar (\$/lb)	26.09	1.8	5.5	46.4
SMP* (EUR/MT)	2,488.00	-0.5	2.8	-10.4

*SMP: Skimmed Milk Powder

Interbank Rates

Region	Rate*	Daily Change(bps)	MTD (bps)	YTD (bps)
KSA (SAIBOR 1M)	5.59	-6.4	1.7	86.4
KSA (SAIBOR 3M)	5.95	-0.9	5.0	61.3
KSA (SAIBOR 6M)	5.86	1.2	3.0	26.3
KSA (SAIBOR 12M)	5.87	-0.4	5.4	0.3
USD (LIBOR 3M)	5.51	-0.4	-0.7	74.3
UAE (EIBOR 3M)	5.14	-9.5	-8.5	82.8

Data Sources: Tadawul, Bloomberg, Reuters
Closes as of June 16, 2023

Technical observations	
Index	TASI
Ticker	SASEIDX Index
Last Close	11,516
Short-term view	Cautious Buy
52 weeks high/low	13,949 – 9,931

Market data	
Exchange Market Cap. (SAR bn)	10,969.9
Value (SAR mn)	9,259.4
Volume (mn)	587.0
Number of Transactions	486,957
Market Breadth	89 : 116

Key statistics	
1D return %	-0.15%
MTD return %	4.56%
QTD return	8.74%
YTD return	9.90%
ADT vol. 3M* (mn)	202.5
ADT val. 3M (SARmn)	5,828.5

*ADT stands for Average Daily Traded

TASI market commentary

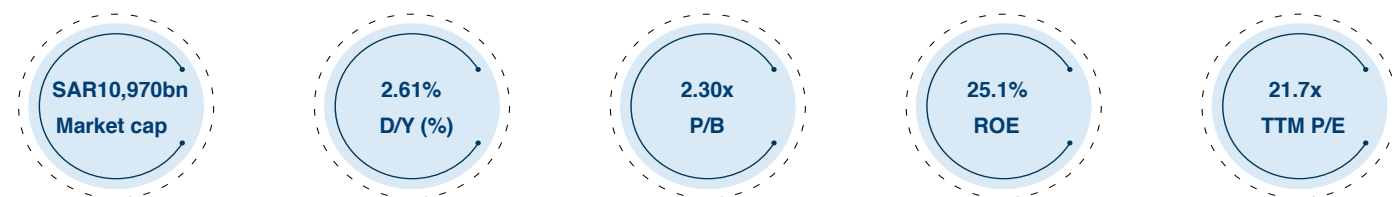
- TASI witnessed a decline on Thursday which was led by index heavyweight Energy (-0.38% D/D) and Banks (-0.33% D/D) sectors. At close, the Saudi market ended the day with a change of -0.15% at 11,516. In terms of activity, total volumes and value traded were ~587mn and ~SAR 9.3bn respectively. The advance-decline ratio came in at 89/116.

Technical outlook

- TASI closed near 11,516 after losing 17 points. Although the buying power continued to push the index upward near the predetermined target zone between 11,600 – 11,800, a profit-booking attitude started to appear near the aforementioned first target level and developed a spinning top candlestick. However, it is not sufficient to change the near-term uptrend, moreover, a following bearish candlestick is still needed to confirm the profit-booking attitude. Meanwhile, the near-term uptrend will stay intact as long as the index is maintained above the support level of 11,390. Besides, the RSI indicator is still showing a bullish structure confirming the short-term uptrend in the price. TASI currently has immediate resistance near 11,600. If penetrated, the next one is expected to lay near 11,680 followed by 11,800. On the other hand, immediate support is seen at around 11,450 followed by the 10-day SMA near 11,390. If breached, the index would be expected to meet the next support near 11,340. Traders are advised to cautiously buy as long as the index is maintained above the support level of 11,390.

Key price levels

S3	S2	S1	Pivot	R1	R2	R3
11,250	11,340	11,390	11,450	11,600	11,680	11,800



Source: Bloomberg, Argaam

TASI daily chart



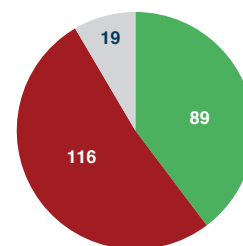
Source: Tradingview, Aljazira Capital

Our view



Market depth

Unchanged
Up
Down





SAUDI MARKET - TOP PICKS FOR THE DAY

Code	Company	Close*	Buy range	Target	Stop loss
2060	National Industrialization Co.	15.38	15.38 - 15.35	15.55	15.25
2350	Saudi Kayan Petrochemical Company	13.98	13.98 - 13.95	14.10	13.85
4002	Mouwasat Medical Services Co.	255.40	255.40 - 254.75	257.95	252.85
2150	The National Company For Glass Industries	39.00	39.00 - 38.90	39.40	38.60
3002	Najran Cement Company	14.48	14.48 - 14.45	14.60	14.35
8200	Saudi Reinsurance Co.	19.26	19.26 - 19.20	19.45	19.05
7010	Saudi Telecom Co.	44.10	44.10 - 44.00	44.55	43.65

* As of 15th June 2023

* Note – Stop loss is based on an intraday basis

CHARTS OF THE DAY

Technical observations

TASNEE penetrated a declining trendline as well as the level of the prior minor peak. Moreover, all the technical indicators show bullish structure.

National Industrialization Co. (TASNEE)



Source: Tradingview, AlJazira Capital

Technical observations

Saudi Kayan started to bounce off the level of the prior peak after bouncing off its 20-day SMA. Moreover, all the technical indicators show bullish structure.

Saudi Kayan Petrochemical Company (Saudi Kayan)



Source: Tradingview, AlJazira Capital

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.

Disclaimer

The purpose of producing this report is to present a general view on the company/economic sector/economic subject under research, and not to recommend a buy/sell/hold for any security or any other assets. Based on that, this report does not take into consideration the specific financial position of every investor and/or his/her risk appetite in relation to investing in the security or any other assets, and hence, may not be suitable for all clients depending on their financial position and their ability and willingness to undertake risks. It is advised that every potential investor seek professional advice from several sources concerning investment decision and should study the impact of such decisions on his/her financial/legal/tax position and other concerns before getting into such investments or liquidate them partially or fully. The market of stocks, bonds, macroeconomic or microeconomic variables are of a volatile nature and could witness sudden changes without any prior warning, therefore, the investor in securities or other assets might face some unexpected risks and fluctuations. All the information, views and expectations and fair values or target prices contained in this report have been compiled or arrived at by Al-Jazira Capital from sources believed to be reliable, but Al-Jazira Capital has not independently verified the contents obtained from these sources and such information may be condensed or incomplete. Accordingly, no representation or warranty, express or implied, is made as to, and no reliance should be placed on the fairness, accuracy, completeness or correctness of the information and opinions contained in this report. Al-Jazira Capital shall not be liable for any loss as that may arise from the use of this report or its contents or otherwise arising in connection therewith. The past performance of any investment is not an indicator of future performance. Any financial projections, fair value estimates or price targets and statements regarding future prospects contained in this document may not be realized. The value of the security or any other assets or the return from them might increase or decrease. Any change in currency rates may have a positive or negative impact on the value/return on the stock or securities mentioned in the report. The investor might get an amount less than the amount invested in some cases. Some stocks or securities maybe, by nature, of low volume/trades or may become like that unexpectedly in special circumstances and this might increase the risk on the investor. Some fees might be levied on some investments in securities. This report has been written by professional employees in Al-Jazira Capital, and they undertake that neither them, nor their wives or children hold positions directly in any listed shares or securities contained in this report during the time of publication of this report, however, The authors and/or their wives/children of this document may own securities in funds open to the public that invest in the securities mentioned in this document as part of a diversified portfolio over which they have no discretion. This report has been produced independently and separately by the Research Division at Al-Jazira Capital and no party (in-house or outside) who might have interest whether direct or indirect have seen the contents of this report before its publishing, except for those whom corporate positions allow them to do so, and/or third-party persons/institutions who signed a non-disclosure agreement with Al-Jazira Capital. Funds managed by Al-Jazira Capital and its subsidiaries for third parties may own the securities that are the subject of this document. Al-Jazira Capital or its subsidiaries may own securities in one or more of the aforementioned companies, and/or indirectly through funds managed by third parties. The Investment Banking division of Al-Jazira Capital maybe in the process of soliciting or executing fee earning mandates for companies that is either the subject of this document or is mentioned in this document. One or more of Al-Jazira Capital board members or executive managers could be also a board member or member of the executive management at the company or companies mentioned in this report, or their associated companies. No part of this report may be reproduced whether inside or outside the Kingdom of Saudi Arabia without the written permission of Al-Jazira Capital. Persons who receive this report should make themselves aware, of and adhere to, any such restrictions. By accepting this report, the recipient agrees to be bound by the foregoing limitations.