



Major Economic News

- The Kingdom of Saudi Arabia officially submitted today in Paris its bid to host Expo 2030 in Riyadh. Saudi Arabia has allocated USD 7.8bn (SAR 29.3bn) for hosting Expo 2030. (Source: Argaam)
- Saudi Arabia posted a trade surplus of SAR 127.1bn in the Q1-23. Total exports fell 15% Y/Y in Q1-23 to SAR 313.5bn. Meanwhile, imports increased by 18% Y/Y to SAR 186.4bn during the same period. Oil exports, which represent 78.3% of the Kingdom's total exports, slipped by 15% Y/Y to SAR 245.4bn in Q1-23. Non-oil exports also fell 13% Y/Y to SAR 68.1bn. (Source: Argaam)

Major Corporate News

- In order to improve the infrastructure in tourist sites and make Saudi Arabia a role model for contemporary travel patterns, the Tourism Development Fund and Abdullah Al Othaim Investment Co. signed a collaboration agreement. This was in keeping with the Kingdom's overall tourism policy, which intends to bring in around 100.0mn more visitors by FY30. (Source: Tadawul)
- Shell signed an agreement with ASYAD Holding Group, under the patronage of the Ministry of Energy, to open Shell-branded gas stations in Saudi Arabia. (Source: Argaam)
- Alkhorayef Water and Power Technologies Co. signed a contract with National Water Co. for the operation and maintenance of an environmental service network with a central culvert in Madinah at a value of SAR 35.38mn. (Source: Tadawul)
- The CMA approved the applications received from four companies, namely Tejoury Co., Lana Medical, United Mining Industry and Dar Almarkabah for Renting Cars Co. for the registration and offering of their shares on Nomu-Parallel Market. (Source: Tadawul)

Earnings update (Net Profit) (SAR mn)

Company	Q1-23	Q1-22	Y/Y %	Q4-22	Q/Q %
BURUJ	-18.0	-42.3	NM	--	--

Market Analysis

- The Saudi Stock Exchange increased 0.1% to 11,431.4. The value traded stood at SAR 5.7bn (down 6.2% over previous day), while the advance-decline ratio stood at 120/82. The parallel market index decreased 4.3% to 26,967.8 points. The value traded stood at SAR 52.8mn (down 15.1% over previous day). Most sectors in the main market ended in the green. Media and Insurance (up 1.5% and 1.3%, respectively) advanced the most; Pharma & Bio Tech and Healthcare (down 4.0% and 0.6%, respectively) led the laggards.

Top Gainers

Company	Price	Change%
JAMJOOM PHARMA	78.00	30.0
ALARABIA	187.00	10.0
MALATH INSURANCE	19.58	10.0
ALMAWARID	89.10	7.1
SHAKER	26.35	5.4

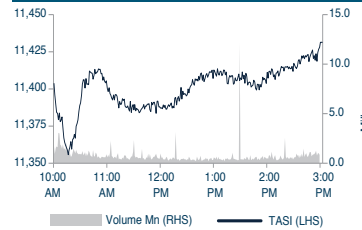
Top Losers

Company	Price	Change%
ALBAHA	19.60	-6.7
SADR	4.17	-6.1
SPIMACO	41.65	-4.0
2P	21.10	-3.4
MOUWASAT	244.00	-3.2

Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	11,431	11,431	11,355	0.1	9.1
NomuC	26,968	28,487	26,725	-4.3	38.9

TASI movement during session



TASI Ratios

P/E* (x)	21.5
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	6,038	0.2	11.3	13.6
Materials	6,595	0.0	4.8	21.6
Capital Goods	7,704	0.5	47.4	21.8
Commercial Service	4,369	0.7	27.2	31.8
Transportation	6,103	0.0	34.4	High
Consumer Durables	5,367	-0.4	27.0	Neg
Consumer Services	5,179	0.8	40.3	49.5
Media	25,117	1.5	16.8	26.7
Retailing	8,241	1.3	14.9	23.8
Food & Staples	10,460	0.4	22.5	21.6
Food & Beverages	6,079	-0.3	31.0	32.7
Healthcare	11,838	-0.6	29.9	High
Pharma & Bio Tech	5,495	-4.0	91.2	Neg
Banks	11,252	-0.2	-2.5	14.1
Diversified Financial	7,085	0.2	11.4	32.4
Insurance	7,348	1.3	38.2	High
Telecom	8,006	0.5	25.3	17.8
Utilities	7,669	0.4	6.9	14.2
REITs	3,873	-0.2	-2.6	31.1
Real Estate	3,309	0.6	32.3	High
Software & Services	54,504	0.7	51.9	39.5

Average Index Value

Average days 5	Average days 10	Average days 20	Average value traded for the month (bn)
11,477	11,439	11,304	6.41

Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	17.1	986.80	1,229.20
Previous week	34.7	1,475.60	2,196.90

Top Weighted Companies

Company	Price	Change%
Saudi Aramco	32.50	-0.2
Al Rajhi	72.80	0.0
SNB	36.65	-1.0
SABIC	88.00	-0.1
STC	43.65	-0.1



Regional and International Markets

- Among other regional markets, Dubai decreased 0.3%, while Abu Dhabi increased 0.1%. Egypt and Qatar declined 0.4% and 0.1%, respectively. Kuwait, Oman and Bahrain remained flat.
- US housing starts soared 21.7% to an annual rate of 1.631mn in May (consensus: 1.405mn) after plunging by 2.9% to a revised rate of 1.340mn in April. Single-family housing starts shot up by 18.5% Y/Y to a rate of 997,000, while multi-family housing starts skyrocketed by 27.1% Y/Y to 634,000. Building permits jumped by 5.2% to an annual rate of 1.491mn in May versus 1.417mn in April. (Source: RTT news)
- UK food production costs fell for the first time since FY16. While manufacturers' wage costs have increased more than twice as fast as average, commodity prices fell 21.0% Y/Y. Reduction in energy prices and rationalization in shipping costs contributed to improved outlook for UK food and beverage operators. (Source: Econoday)
- Bank of Japan officials decided to maintain ultra-low interest rates, but while other debated it was important to avoid raising rates too soon. (Source: CNBC)
- Oil prices fell 0.2%, on forecasts for slower oil demand growth in China and smaller than expected size of cuts in China's key lending rates.
- Gold prices fell 0.7%, as investors refrained from making large bets, ahead of Federal Reserve Chairman Jerome Powell's congressional testimony which could offer further insight into the central bank's interest rate hike plan.

Forex / Currency

Currency / USD	Close	Daily Change%	MTD %	YTD %
Dollar Index	102.54	0.0	-1.7	-0.9
Euro	1.09	0.0	2.1	2.0
Japanese Yen	141.47	-0.4	1.5	7.9
Sterling Pound	1.28	-0.2	2.6	5.6
Chinese Yuan	7.18	0.3	0.9	3.8
Indian Rupee	82.12	0.2	-0.7	-0.7
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	-0.2	0.3
Omani Rial	0.39	0.0	0.0	0.0
Bahraini Dinar	0.38	0.0	0.0	0.0
Egyptian Pound	30.85	-0.2	-0.1	24.6

Corporate Calendar

Date	Company	Event
21 st Jun	STC	EGM
21 st Jun	Etihad Etisalat	Cash Dividend Distribution
21 st Jun	Nama Chemicals	EGM
21 st Jun	CHEMICAL	EGM
21 st Jun	BATIC	EGM
21 st Jun	ALHOKAIR GROUP	EGM

*EGM: Extra Ordinary Meeting

*OGM: Ordinary General Meeting

Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	3,774	-0.3	5.5	13.4	9.2
Abu Dhabi (ADX)	9,464	0.1	0.6	-7.8	15.7
Kuwait (KSE)	7,821	0.0	4.4	-3.6	11.1
Qatar (QE)	10,267	-0.1	1.1	-3.9	11.8
Oman (MSM)	4,682	0.0	1.2	-3.6	10.1
Bahrain (BSE)	1,957	0.0	-0.3	3.3	9.0
Egypt (EGX30)	17,922	-0.4	2.4	22.8	6.5

International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	34,054	-0.7	3.5	2.7	19.7
Nasdaq	15,070	-0.1	5.7	37.8	33.2
S&P 500	4,389	-0.5	5.0	14.3	21.0
FTSE 100	7,569	-0.3	1.7	1.6	10.8
Germany DAX 30	16,111	-0.6	2.9	15.7	13.2
France CAC 40	7,294	-0.3	2.8	12.7	12.5
Japan Nikkei 225	33,389	0.1	8.1	28.0	32.9
Russia MOEX	2,804	-0.4	3.2	30.2	3.7
Hong Kong Hang Seng	19,607	-1.5	7.5	-0.9	10.0
South Korea KOSPI	2,605	-0.2	1.1	16.5	15.3
China Shanghai Composite	3,240	-0.5	1.1	4.9	14.4
Australia ASX 200	7,358	0.9	3.8	4.5	14.9
India Sensex	63,328	0.3	1.1	4.1	23.6
MSCI EM	1,013	-1.0	5.7	5.9	13.3
MSCI World	2,940	-0.5	5.0	12.9	18.7

Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	79.66	1.2	6.6	-5.4
Brent Crude (\$/bbl)	75.90	-0.2	4.5	-11.7
Texas crude (\$/bbl)	70.50	-1.8	3.5	-12.2
Natural Gas (\$/mmbtu)	2.49	-5.3	10.0	-40.1
Gold (\$/oz)	1,936.42	-0.7	-1.3	6.2
Silver (\$/oz)	23.13	-3.4	-1.5	-3.4
Steel (\$/ton)	927.00	0.0	-0.7	24.6
Iron Ore (CNY/MT)	869.50	-0.9	11.7	1.5
Wheat (\$/bu)	708.75	1.0	19.3	-11.7
Corn (\$/bu)	597.50	0.0	0.6	-11.1
Sugar (\$/lb)	26.03	-0.2	5.2	46.1
SMP* (EUR/MT)	2,490.00	-0.3	2.9	-10.3

*SMP: Skimmed Milk Powder

Interbank Rates

Region	Rate*	Daily Change(bps)	MTD (bps)	YTD (bps)
KSA (SAIBOR 1M)	5.65	3.9	7.0	91.7
KSA (SAIBOR 3M)	5.95	1.1	4.3	60.6
KSA (SAIBOR 6M)	5.85	-1.2	1.7	25.0
KSA (SAIBOR 12M)	5.83	-3.8	1.2	-4.0
USD (LIBOR 3M)	5.51	0.0	-0.2	74.7
UAE (EIBOR 3M)	5.33	5.6	10.4	101.8

Data Sources: Tadawul, Bloomberg, Reuters
Closes as of June 20, 2023



Technical observations	
Index	TASI
Ticker	SASEIDX Index
Last Close	11,431
Short-term view	Cautious Buy
52 weeks high/low	13,949 – 9,931

Market data	
Exchange Market Cap. (SAR bn)	10,867.5
Value (SAR mn)	5,693.5
Volume (mn)	233.7
Number of Transactions	409,688
Market Breadth	120 : 82

Key statistics	
1D return %	0.08%
MTD return %	3.79%
QTD return	7.94%
YTD return	9.09%
ADT vol. 3M* (mn)	210.1
ADT val. 3M (SARmn)	5,853.4

*ADT stands for Average Daily Traded

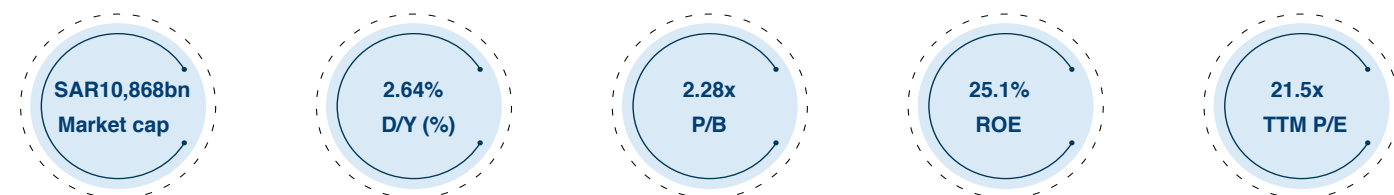
TASI market commentary

- TASI witnessed a rise on Tuesday which was led by index heavyweight Telecommunication services (0.47% D/D) and Energy (0.18% D/D) sectors. At close, the Saudi market ended the day with a change of 0.08% at 11,431. In terms of activity, total volumes and value traded were ~234mn and ~SAR 5.7bn respectively. The advance-decline ratio came in at 120/82.

Technical outlook

- TASI closed near 11,431 after gaining 10 points. As expected, the buying power appeared near the support level of the prior short-term peak near 11,340 after experiencing a heavy profit-taking action during Monday's session. TASI developed a counterattack candlesticks pattern at the aforementioned support level suggesting a possible upside rebound within the upcoming sessions. Moreover, re-penetrating the 10-day SMA near 11,450 will pave the way for a further rise toward the prior minor peak near 11,570. Furthermore, the near-term uptrend will stay intact as long as the index is maintained above the support level of 11,340. Meanwhile, the RSI indicator is still hovering inside the bullish territory above its 50 level. TASI currently has immediate resistance near 11,450 followed by 11,570 near the level of 127.2% Fibonacci retracement. If penetrated, the next one is expected to lay near 11,730 near the 161.8% Fibonacci retracement. On the other hand, immediate support is seen at around 11,390 followed by the level of 11,340. If breached, the index would be expected to meet the next support near 11,250. Traders are advised to cautiously buy as long as the index respects the significant support level of 11,340.

Key price levels						
S3	S2	S1	Pivot	R1	R2	R3
11,250	11,340	11,390	11,450	11,570	11,730	11,800



Source: Bloomberg, Argaam

TASI daily chart



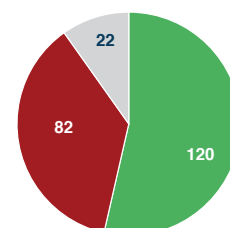
Source: Tradingview, Aljazira Capital

Our view



Market depth

Unchanged
Up
Down



SAUDI MARKET - TOP PICKS FOR THE DAY

Code	Company	Close*	Buy range	Target	Stop loss
7020	Etihad Etisalat Co.	47.85	47.85 - 47.75	48.30	47.35
2250	Saudi Industrial Investment Group	26.50	26.50 - 26.45	26.75	26.25
6014	Alamar Foods Co.	136.20	136.20 - 135.85	137.55	134.85
1214	Al Hassan Ghazi Ibrahim Shaker Co.	26.35	26.35 - 26.30	26.60	26.10
4014	Scientific and Medical Equipment House Co.	77.80	77.80 - 77.60	78.55	77.00
8020	Malath Cooperative Insurance Company	19.58	19.58 - 19.55	19.75	19.40
8060	Walaa Cooperative Insurance Co.	17.12	17.12 - 17.08	17.30	16.95

* As of 20th June 2023

* Note – Stop loss is based on an intraday basis

CHARTS OF THE DAY

Technical observations

Etihad Etisalat penetrated the prior peak after bouncing off 10-day SMA. Moreover, all the technical indicators show bullish structure.

Etihad Etisalat Co. (Etihad Etisalat)



Source: Tradingview, AlJazira Capital

Technical observations

SIIG started to bounce off the support level of the prior peak as well as the 10-day SMA. Moreover, all the technical indicators show bullish structure.

Saudi Industrial Investment Group (SIIG)



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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