



Major Economic News

- The Saudi Cabinet approved the Real Estate Contributions Law. Majed Al Hogail, Minister of Municipal and Rural Affairs and Housing said that the law aims to regulate the activity of real estate contributions, raise the level of transparency and disclosure, and protect the rights of all concerned parties. (Source: Argaam)
- The General Authority for Competition issued 16 no-objection decisions for economic concentration applications in June. (Source: Argaam)

Major Corporate News

- Alkhorayef Water and Power Technologies Co. signed a contract for the operation and maintenance of water projects in Hafar Al-Batin suburbs with National Water Co. The company expects the related financial impact to be reflected on its financial statements in Q2-23. (Source: Tadawul)
- Bahrain-listed Gulf Hotels Company announced its intention to open a representative office in Saudi Arabia to explore investment opportunities in the Kingdom. (Source: Argaam)
- Al Masane Al Kobra Mining Co.'s board of directors unanimously decided to cancel its recommendation to transfer an amount of SAR 268.6mn from the share premium account to statutory reserve account. (Source: Tadawul)
- The Saudi Exchange Co. gave the go-head for Riyadh Capital to conduct market making activities on Al Rajhi Bank and Americana Restaurants International Co. (Source: Tadawul)
- Filling & Packing Materials MFG. Co. signed a non-binding MoU with Saudi Top Plastic factory to strengthen the areas of cooperation and mutual investment in scientific research. (Source: Tadawul)

Market Analysis

- The Saudi Stock Exchange increased 0.7% to 11,664.5. The value traded stood at SAR 7.8bn (up 12.7% over previous day), while the advance-decline ratio stood at 77/145. The parallel market index decreased 1.8% to 23,267.3 points. The value traded stood at SAR 37.3mn (down 27.6% over previous day). Most sectors in the main market ended in the green. Software & Services and Food & Beverages (up 2.6% and 2.5%, respectively) advanced the most; Capital Goods and Diversified Financials (down 1.6% and 1.2%, respectively) led the laggards.

Top Gainers

Company	Price	Change%
ALARABIA	182.00	7.1
SADAFCO	354.80	5.5
ETIHAD ETISALAT	48.95	4.9
ELM	616.40	4.4
CHEMICAL	4.37	4.1

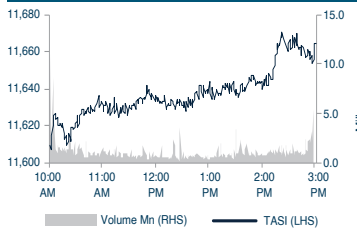
Top Losers

Company	Price	Change%
ANAAM HOLDING	1.17	-7.9
ALBAHA	0.17	-5.6
AMIAANTIT	50.70	-5.2
MALATH INSURANCE	21.40	-4.1
EIC	37.70	-3.3

Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	11,665	11,673	11,603	0.7	11.3
NomuC	23,267	24,239	23,122	-1.8	19.8

TASI movement during session



TASI Ratios

P/E* (x)	22
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	6,028	-0.2	11.1	13.6
Materials	6,679	-0.3	6.2	22.0
Capital Goods	8,033	-1.6	53.7	22.9
Commercial Service	5,047	1.1	46.9	37.6
Transportation	6,554	0.6	44.3	High
Consumer Durables	5,711	1.0	35.2	Neg
Consumer Services	5,217	0.5	41.4	49.2
Media	23,430	1.8	9.0	25.1
Retailing	8,372	1.1	16.7	24.0
Food & Staples	10,915	-0.3	27.8	22.3
Food & Beverages	6,294	2.5	35.7	35.4
Healthcare	12,211	1.9	34.0	High
Pharma & Bio Tech	5,396	-0.1	87.8	Neg
Banks	11,404	1.1	-1.2	14.3
Diversified Financial	7,210	-1.2	13.3	33.2
Insurance	7,893	-0.5	48.4	37.2
Telecom	8,251	2.2	29.1	18.4
Utilities	8,419	0.5	17.4	15.2
REITs	3,846	-0.5	-3.3	32.0
Real Estate	3,383	0.7	35.3	High
Software & Services	58,436	2.6	62.8	42.3

Average Index Value

Average days 5	Average days 10	Average days 20	Average value traded for the month (bn)
11,610	11,563	11,501	6.84

Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	20.7	1,147.10	1,380.50
Previous week	34	1,269.00	2,282.30

Top Weighted Companies

Company	Price	Change%
Saudi Aramco	32.10	-0.2
Al Rajhi	72.70	0.8
SNB	37.10	1.1
SABIC	88.50	-0.3
STC	45.25	1.1



International Market News

- IMF expects global growth of around 3.0% annually for the next five years, well below historical averages of about 3.8%, which may pressure capital flows, said Managing Director Kristalina Georgieva. She added that governments in emerging markets will need to tighten fiscal policy to keep debt under control and to help inflation. (Source: Reuters)
- UK's unemployment rate increased to 4.0% in three months to May from 3.8% in the preceding period. In June, the payroll employment fell 9,000 M/M to 30.0mn. In April to June, the number of vacancies decreased 85,000 sequentially to 1.0mn. (Source: RTT News)
- China's new bank loans jumped CNY 3.1tn (USD 423bn) in June (consensus: CNY 2.3tn) from CNY 1.4tn in May, helped by central bank efforts to support the economy as a post-pandemic recovery fade. (Source: Reuters)
- Japan's machine tool orders declined 21.7% Y/Y in May compared to a 22.1% fall in the previous month. Domestic demand was down 29.9% Y/Y in June, and foreign orders contracted 16.7% Y/Y. On an M/M basis, machine tool orders rose 1.4% in June vs. a 9.9% drop in the prior month. (Source: RTT News)
- Oil prices jumped 2.2% on account of hopes of higher demand in developing nations and weaker US dollar.
- Gold prices rose 0.4%, as US dollar and treasury yields declined ahead of US inflation data that could set the direction for Federal Reserve's rate-hike policy.

Forex / Currency

Currency / USD	Close	Daily Change%	MTD %	YTD %
Dollar Index	101.73	-0.2	-1.1	-1.7
Euro	1.10	0.1	0.9	2.8
Japanese Yen	140.36	-0.7	-2.7	7.0
Sterling Pound	1.29	0.6	1.8	7.0
Chinese Yuan	7.21	-0.2	-0.8	4.2
Indian Rupee	82.37	-0.3	0.4	-0.4
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	-0.2	0.3
Omani Rial	0.39	0.1	0.0	0.0
Bahraini Dinar	0.38	0.0	0.0	0.0
Egyptian Pound	30.94	0.1	0.1	24.9

Corporate Calendar

Date	Company	Event
12 th Jul	ZAIN KSA	Cash Dividend Distribution
12 th Jul	ALHAMMADI	Cash Dividend Distribution
12 th Jul	ACWA Power	Cash Dividend Distribution
13 th Jul	SHL	Cash Dividend Distribution
13 th Jul	ALARABIA	Cash Dividend Distribution
13 th Jul	LAZURDE	Cash Dividend Distribution

*EGM: Extra Ordinary Meeting

*OGM: Ordinary General Meeting

Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	3,985	0.2	5.1	19.7	9.686
Abu Dhabi (ADX)	9,589	0.0	0.4	-6.6	32.148
Kuwait (KSE)	8,099	0.8	3.7	-0.2	19.240
Qatar (QE)	10,085	-0.2	0.1	-5.6	12.163
Oman (MSM)	4,802	0.5	0.7	-1.1	16.332
Bahrain (BSE)	1,960	0.1	0.1	3.4	6.955
Egypt (EGX30)	17,155	1.1	-2.9	17.5	8.763

International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	34,261	0.9	-0.4	3.4	19.8
Nasdaq	15,119	0.5	-0.4	38.2	33.3
S&P 500	4,439	0.7	-0.2	15.6	21.2
FTSE 100	7,283	0.1	-3.3	-2.3	10.1
Germany DAX 30	15,790	0.7	-2.2	13.4	12.9
France CAC 40	7,220	1.1	-2.4	11.5	12.4
Japan Nikkei 225	32,204	0.0	-3.0	23.4	31.4
Russia MOEX	2,860	0.1	2.3	32.8	2.2
Hong Kong Hang Seng	18,660	1.0	-1.4	-5.7	9.6
South Korea KOSPI	2,562	1.7	-0.1	14.6	15.1
China Shanghai Composite	3,221	0.6	0.6	4.3	14.5
Australia ASX 200	7,109	1.5	-1.3	1.0	14.5
India Sensex	65,618	0.4	1.4	7.9	24.5
MSCI EM	995	1.3	0.5	4.0	12.8
MSCI World	2,953	0.8	-0.5	13.5	18.5

Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	81.35	-0.1	3.8	-3.4
Brent Crude (\$/bbl)	79.40	2.2	6.0	-7.6
Texas crude (\$/bbl)	74.83	2.5	5.9	-6.8
Natural Gas (\$/mmbtu)	2.73	2.3	-2.4	-34.4
Gold (\$/oz)	1,932.23	0.4	0.7	5.9
Silver (\$/oz)	23.12	0.0	1.5	-3.5
Steel (\$/ton)	907.00	0.7	3.0	21.9
Iron Ore (CNY/MT)	873.50	0.0	-1.4	1.9
Wheat (\$/bu)	660.50	2.2	1.5	-18.4
Corn (\$/bu)	501.50	0.4	1.4	-17.9
Sugar (\$/lb)	23.53	0.4	3.2	32.0
SMP* (EUR/MT)	2,375.00	0.0	-2.7	-14.4

*SMP: Skimmed Milk Powder

Interbank Rates

Region	Rate*	Daily Change(bps)	MTD (bps)	YTD (bps)
KSA (SAIBOR 1M)	5.64	2.9	-1.8	90.7
KSA (SAIBOR 3M)	5.95	3.6	0.1	61.1
KSA (SAIBOR 6M)	5.92	1.0	-3.0	31.7
KSA (SAIBOR 12M)	5.96	1.3	4.3	9.3
USA (SOFR 3M)	5.30	0.2	3.3	71.4
UAE (EIBOR 3M)	5.16	-24.0	-1.1	84.6

Data Sources: Tadawul, Bloomberg, Reuters

Closes as of July 11, 2023



Technical observations

Index	TASI
Ticker	SASEIDX Index
Last Close	11,665
Short-term view	Buy
52 weeks high/low	13,949 – 9,931

Market data

Exchange Market Cap. (SAR bn)	10,946.4
Value (SAR mn)	7,756.1
Volume (mn)	355.0
Number of Transactions	494,277
Market Breadth	77 : 145

Key statistics

1D return %	0.67%
MTD return %	1.79%
QTD return	1.79%
YTD return	11.32%
ADT vol. 3M* (mn)	225.8
ADT val. 3M (SARmn)	6,047.7

*ADT stands for Average Daily Traded

TASI market commentary

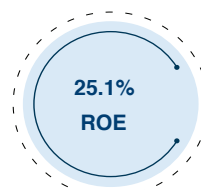
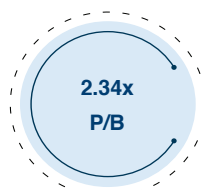
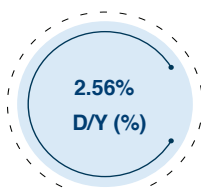
- TASI witnessed a rise on Tuesday which was led by index heavyweight Telecommunication services (2.23% D/D) and Banks (1.07% D/D) sectors. At close, the Saudi market ended the day with a change of 0.67% at 11,665. In terms of activity, total volumes and value traded were ~355mn and ~SAR 7.8bn, respectively. The advance-decline ratio came in at 77/145.

Technical outlook

- TASI closed near 11,665 after gaining 78 points. As expected, the index after experiencing a consolidation action above the support level of the prior peak as well as the 127.2% Fibonacci retracement level near 11,570, bounced off it to resume the way toward the 161.8% Fibonacci retracement level near 11,730. Moreover, TASI developed a bullish marubozu candlestick in the last session, reflecting the dominating buying attitude and suggesting resuming the way upward. Furthermore, the RSI indicator started to point upward inside the bullish territory above the level of 50, adding to the positive evidence. TASI currently has immediate resistance near 11,730 at the 161.8% Fibonacci retracement level, followed by 11,800. If penetrated, the next resistance is expected to lay near 11,900. On the other hand, immediate support is seen at around 11,570 at the level of 127.2% Fibonacci retracement and the level of the prior peak, followed by the level of 11,450. If breached, the index would be expected to meet the next support near the prior trough and the 50 SMA near 11,350. Traders are advised to buy as long as the index respects the significant support level at 11,350.

Key price levels

S3	S2	S1	Pivot	R1	R2	R3
11,250	11,350	11,450	11,570	11,730	11,800	11,900



Source: Bloomberg, Argaam

TASI daily chart



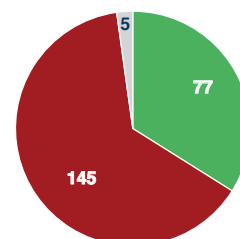
Source: Tradingview, Aljazeera Capital

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
4010	Dur Hospitality Company	28.90	28.90 - 28.85	29.20	29.40	1.73%	28.60
1321	East Pipes Integrated Company For Industry	67.60	67.60 - 67.45	68.25	69.90	3.40%	66.90
7010	Saudi Telecom Co.	45.25	45.25 - 45.15	45.70	46.00	1.66%	44.80
4011	Lazurde Company for Jewelry	15.70	15.70 - 15.65	15.85	16.00	1.91%	15.55
2230	Saudi Chemical Co.	4.37	4.37 - 4.35	4.40	4.45	1.83%	4.30
1830	Leejam Sports Co.	146.80	146.80 - 146.45	148.25	149.80	2.04%	145.30

* As of 11th Jul 2023

* Note – Stop loss is based on an intraday basis

CHARTS OF THE DAY

Technical observations

Dur penetrated the level of prior peak and started to bounce off its 5-day SMA. Moreover, all the technical indicators show bullish structure.

Dur Hospitality Company (Dur)



Source: Tradingview, AlJazira Capital

Technical observations

EAST PIPES started to bounce off the level of a prior peak which coincides with the 10-day SMA. Moreover, all the technical indicators show bullish structure.

East Pipes Integrated Company For Industry (EAST PIPES)



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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