



Major Economic News

- The General Organization for Social Insurance (GOSI) launched its new real estate arm, Osool Integrated Real Estate Co. Osool is now responsible for managing GOSI's entire income-generating local real estate portfolio. The value of assets managed by GOSI stands at SAR 23.0bn. (Source: Argaam)

Major Corporate News

- Almarai Co. started the issuance of US-dollar-denominated trust certificates. The issuance amount will be determined after the completion of the offer period based on market conditions at that time. (Source: Tadawul)
- ACWA Power signed an MoU with Egypt's New and Renewable Energy Authority to allocate land for a 10 gigawatts wind project in Egypt. The wind project is expected to generate around 50,000 gigawatt-hours of clean energy annually, providing electricity to around 11.0mn households and mitigating the impact of 25.5mn tons of carbon emissions yearly. (Source: Tadawul)
- Saudi Advanced Industries Co. secured Shariah-compliant credit facilities worth SAR 100.0mn at a competitive rate, from Al Rajhi Capital. The facilities are aimed at expanding the company's investments. (Source: Tadawul)
- KEIR International Co. plans to issue Saudi riyals-denominated sukuk through the website of Sukuk Capital that is authorized by CMA to offer and invest in debt instruments. The program is valued at SAR 30.0mn. (Source: Tadawul)

Earnings update (Net Profit) (SAR mn)

Company	Q2-23	Q2-22	Y/Y %	Q1-23	Q/Q %
Riyad Bank	1,982.3	1,611.2	23.0	2,019.6	-1.8
NCLE*	27.6	18.6	48.8	27.4	0.9

*Q3-23 results; financial year ends in August

Market Analysis

- The Saudi Stock Exchange decreased 0.1% to 11,768.7. The value traded stood at SAR 8.1bn (unchanged from previous day), while the advance-decline ratio stood at 44/175. The parallel market index decreased 0.7% to 22,952.2 points. The value traded stood at SAR 77.4mn (up 135.0% over previous day). Most sectors in the main market ended in the red. Software & Services and Banks (up 1.1% and 0.7%, respectively) advanced the most; Transportation and Capital Goods (down 2.9% and 2.1%, respectively) led the laggards.

Top Gainers

Company	Price	Change%
ALMAWARID	144.00	5.9
SASCO	65.40	4.8
ELM	651.00	3.8
SNB	40.30	3.3
MRNA	14.54	3.1

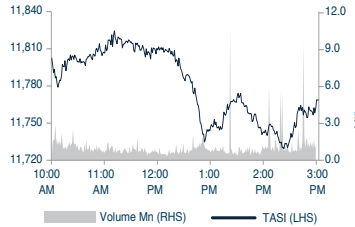
Top Losers

Company	Price	Change%
SAUDI CERAMICS	30.80	-5.1
BUDGET SAUDI	71.80	-5.0
ALHAMMADI	58.40	-4.7
ALMUNAJEM	65.50	-4.7
MARAFIQ	84.50	-4.4

Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	11,769	11,826	11,727	-0.1	12.3
NomuC	22,952	23,139	22,834	-0.7	18.2

TASI movement during session



TASI Ratios

P/E* (x)	22.19
Price-to-Book (x)	2.37
Dividend Yield (%)	2.54
Return on Equity (%)	25.1

*Source: Argaam (Excluding Aramco)

Index	Close	Daily Change%	YTD %	PE (TTM)
Energy	6,059	-0.1	11.6	13.7
Materials	6,576	-1.0	4.5	21.6
Capital Goods	7,619	-2.1	45.8	21.6
Commercial Service	5,111	-0.3	48.7	38.9
Transportation	6,211	-2.9	36.8	High
Consumer Durables	5,590	-1.6	32.3	Neg
Consumer Services	5,159	-0.7	39.8	48.5
Media	23,642	-1.6	10.0	25.2
Retailing	8,449	-0.1	17.8	24.2
Food & Staples	10,941	-0.4	28.1	22.6
Food & Beverages	6,164	-0.8	32.8	35.0
Healthcare	12,412	-0.7	36.2	High
Pharma & Bio Tech	5,185	-1.7	80.4	Neg
Banks	11,705	0.7	1.4	14.8
Diversified Financial	7,192	-0.5	13.1	33.1
Insurance	7,896	-0.5	48.5	37.2
Telecom	8,207	0.2	28.5	18.4
Utilities	8,634	-0.8	20.4	15.6
REITs	3,797	-0.5	-4.5	31.7
Real Estate	3,462	-0.5	38.5	High
Software & Services	62,246	1.1	73.4	45.3

Average Index Value

Average days 5	Average days 10	Average days 20	Average value traded for the month (bn)
11,740	11,675	11,586	7.2

Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	23	875.85	1,446.57
Previous week	36.2	2,000.72	2,309.42

Top Weighted Companies

Company	Price	Change%
SaudiAramco	32.30	0.0
Al Rajhi	70.70	-0.7
SNB	40.30	3.3
SABIC	86.10	-1.0
STC	45.60	0.6



International Market News

- US industrial production fell 0.5% M/M in June (consensus: unchanged M/M), matching the downwardly revised decrease in May. The decline in production was partly due to a continued fall in utilities output, which plunged 2.6% in June compared to a decrease of 1.5% in May. Manufacturing output was down 0.3% in June, while mining output edged down 0.2%. (Source: Reuters)
- US retail sales rose 0.2% M/M in June (consensus: an increase of 0.5%) compared to an upwardly revised 0.5% growth in May. Excluding sales by motor vehicles and parts dealers, retail sales rose 0.2% in June after rising by an upwardly revised 0.3% in May. A significant increase was seen in sales by miscellaneous store retailers, non-store retailers, furniture and home furnishing stores and electronics and appliance stores. (Source: RTT News)
- China's fiscal revenues increased 13.3% Y/Y in the first six months of FY23, slower than a 14.9% rise in the first five months of the year. In June, fiscal revenue grew 5.6% Y/Y, slowing sharply from a 32.7% jump in May. (Source: Reuters)
- Crude oil prices jumped 1.4% driven by expectation of recovery demand amid China's economic stimulus measures, further supported by a forecast of decline in US oil output.
- Gold prices rose 1.2% due to hopes that the US Federal Reserve will pause rate hikes after recent economic data.

Forex / Currency

Currency / USD	Close	Daily Change%	MTD %	YTD %
Dollar Index	99.94	0.1	-2.9	-3.5
Euro	1.12	-0.1	2.9	4.9
Japanese Yen	138.83	0.1	-3.8	5.9
Sterling Pound	1.30	-0.3	2.6	7.9
Chinese Yuan	7.19	0.2	-1.0	3.9
Indian Rupee	82.03	0.0	0.0	-0.9
UAE Dirham	3.67	0.0	0.0	0.0
Qatari Rial	3.65	0.0	0.0	-0.7
Kuwaiti Dinar	0.31	-0.1	-0.5	0.1
Omani Rial	0.39	0.1	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
19 th Jul	GASCO	Cash Dividend Distribution
19 th Jul	Sipchem	Cash Dividend Distribution
19 th Jul	ProMedEx	Final allocation
19 th Jul	SARCO	Cash Dividend Distribution
20 th Jul	Dallah Health	Cash Dividend Distribution
20 th Jul	Retal	EGM

*EGM: Extra Ordinary Meeting

*OGM: Ordinary General Meeting

Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	4,022	0.1	6.1	20.8	9.7
Abu Dhabi (ADX)	9,698	0.2	1.5	-5.5	32.5
Kuwait (KSE)	8,161	0.5	4.5	0.6	19.4
Qatar (QE)	10,306	0.2	2.3	-3.5	12.4
Oman (MSM)	4,810	1.1	0.9	-1.0	12.9
Bahrain (BSE)	1,986	0.3	1.4	4.8	7.0
Egypt (EGX30)	17,608	0.5	-0.3	20.6	9.4

International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	34,952	1.1	1.6	5.4	20.2
Nasdaq	15,841	0.8	4.4	44.8	34.8
S&P 500	4,555	0.7	2.4	18.6	21.8
FTSE 100	7,454	0.6	-1.0	0.0	10.4
Germany DAX 30	16,125	0.4	-0.1	15.8	13.0
France CAC 40	7,319	0.4	-1.1	13.1	12.6
Japan Nikkei 225	32,494	0.3	-2.1	24.5	31.6
Russia MOEX	2,955	1.3	5.6	37.2	2.3
Hong Kong Hang Seng	19,016	-2.1	0.5	-3.9	9.7
South Korea KOSPI	2,608	-0.4	1.7	16.6	15.4
China Shanghai Composite	3,198	-0.4	-0.1	3.5	14.4
Australia ASX 200	7,284	-0.2	1.1	3.5	14.9
India Sensex	66,795	0.3	3.2	9.8	24.9
MSCI EM	1,022	-0.5	3.3	6.9	13.5
MSCI World	3,043	0.7	2.6	16.9	19.1

Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	82.78	-1.2	5.6	-1.7
Brent Crude (\$/bbl)	79.63	1.4	6.3	-7.3
Texas crude (\$/bbl)	75.75	2.2	7.2	-5.6
Natural Gas (\$/mmbtu)	2.63	4.7	-6.0	-36.8
Gold (\$/oz)	1,978.72	1.2	3.1	8.5
Silver (\$/oz)	25.06	0.9	10.0	4.6
Steel (\$/ton)	887.00	-0.6	0.7	19.2
Iron Ore (CNY/MT)	882.50	0.2	-0.3	3.0
Wheat (\$/bu)	670.75	2.6	3.0	-17.1
Corn (\$/bu)	534.50	5.6	8.0	-12.5
Sugar (\$/lb)	23.86	0.3	4.7	33.9
SMP* (EUR/MT)	2,382.00	0.1	-2.5	-14.2

*SMP: Skimmed Milk Powder

Interbank Rates

Region	Rate*	Daily Change(bps)	MTD (bps)	YTD (bps)
KSA (SAIBOR 1M)	5.61	2.1	-4.6	87.9
KSA (SAIBOR 3M)	5.94	0.1	-1.0	60.0
KSA (SAIBOR 6M)	5.96	-3.1	1.5	36.2
KSA (SAIBOR 12M)	5.93	-0.3	1.4	6.4
USA (SOFR 3M)	5.33	0.6	5.8	73.9
UAE (EIBOR 3M)	5.38	5.7	21.7	107.5

Data Sources: Tadawul, Bloomberg, Reuters
Closes as of July 18, 2023



Technical observations

Index	TASI
Ticker	SASEIDX Index
Last Close	11,769
Short-term view	Cautious Buy
52 weeks high/low	13,949 – 9,931

Market data

Exchange Market Cap. (SAR bn)	11,027.7
Value (SAR mn)	8,108.3
Volume (mn)	326.5
Number of Transactions	512,443
Market Breadth	44 : 175

Key statistics

1D return %	-0.10%
MTD return %	2.70%
QTD return	2.70%
YTD return	12.32%
ADT vol. 3M* (mn)	237.6
ADT val. 3M (SARmn)	6,227.7

*ADT stands for Average Daily Traded

TASI market commentary

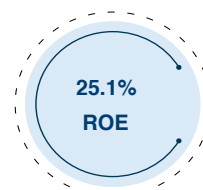
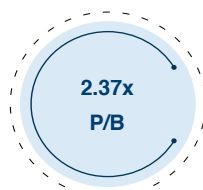
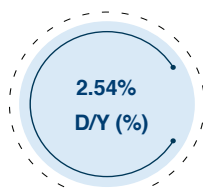
- TASI witnessed a decline on Tuesday which was led by index heavyweight Materials (-0.97% D/D) and Energy (-0.07% D/D) sectors. At close, the Saudi market ended the day with a change of -0.10% at 11,769. In terms of activity, total volumes and value traded were ~327mn and ~SAR 8.1bn, respectively. The advance-decline ratio came in at 44/175.

Technical outlook

- TASI closed near 11,769 after losing 12 points. After penetrating the significant resistance of the 161.8% Fibonacci retracement level at 11,730 which paved the way for a further rise toward the 200% Fibonacci retracement level near 11,900, the index started to experience a normal profit-taking attitude. TASI formed a spinning top candlestick that needs a following bearish candlestick to indicate a possible further decline. Moreover, The RSI indicator is still hovering above the level of its prior inside the bullish territory above the level of 50. TASI currently has immediate resistance near 11,800. If penetrated, the next resistance is expected to lay near the strong resistance of 11,900 at the 200% Fibonacci retracement level where a significant profit-taking attitude may appear. On the other hand, immediate support is seen at around 11,730 at the 161.8% Fibonacci retracement level followed by 11,675 near the 10-day SMA. If breached, the index would be expected to meet the next support near the level of 11,590 near the 20-day SMA. Traders are advised to cautiously buy and closely monitor the strong resistance of 11,900 where a profit-taking action may start.

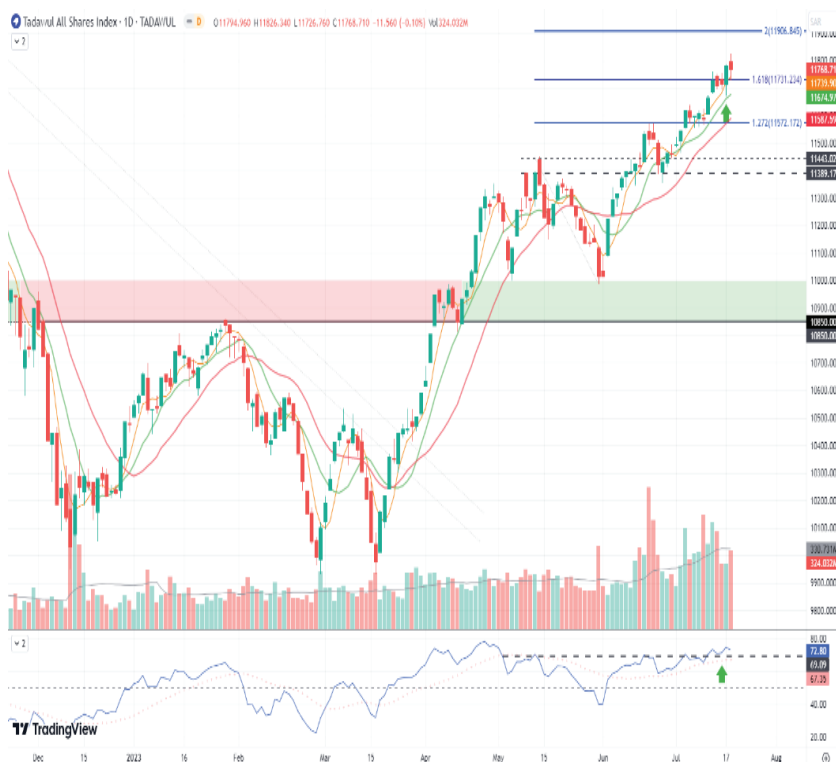
Key price levels

S3	S2	S1	Pivot	R1	R2	R3
11,590	11,675	11,730	11,800	11,900	12,030	12,100



Source: Bloomberg, Argaam

TASI daily chart



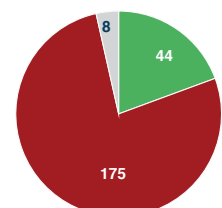
Source: Tradingview, Aljazeera Capital

Our view



Market depth

Unchanged
Up
Down



SAUDI MARKET - TOP PICKS FOR THE DAY

Code	Company	Close*	Buy range	Target	Stop loss
1150	Alinma Bank	36.55	36.55 - 36.45	36.90	36.15
2330	Advanced Petrochemical Co.	46.70	46.70 - 46.55	47.15	46.20
1833	Al Mawarid Manpower Co.	144.00	144.00 - 143.60	145.40	142.40
4180	Fitaihi Holding Group	40.40	40.40 - 40.30	40.80	40.00
1830	Leejam Sports Co.	144.00	144.00 - 143.60	145.40	142.40
7203	Elm Co.	651.00	651.00 - 649.60	657.40	644.40

* As of 18th Jul 2023

* Note – Stop loss is based on an intraday basis

CHARTS OF THE DAY

Technical observations

Alinma bounce off its 5&10-day SMAs and penetrated the level of the prior peak. Moreover, all the technical indicators show bullish structure.

Alinma Bank (Alinma)



Source: Tradingview, AlJazira Capital

Technical observations

Advanced bounced off the support level of the prior peak as well as the 10-day SMA. Moreover, all the technical indicators show bullish structure.

Advanced Petrochemical Co. (Advanced)



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.

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