



Major Economic News

- National Housing Co. delivered more than 17,700 residential units across the Kingdom year to date. The company maintains its strategies and plans to speed up the delivery of housing units. It recently announced the handover of more than 25,000 residential units across the Kingdom. (Source: Argaam)

Major Corporate News

- Saudi Aramco announced successful closing of a landmark transaction to acquire a 10.0% interest in China's Rongsheng Petrochemical Co. Ltd. for CNY 24.6bn (USD 3.4bn), through its subsidiary Aramco Overseas Company BV, based in the Netherlands. (Source: Tadawul)
- Saudi Arabian Airlines (Saudia) continued to achieve robust operational rates in H1-23, transporting more than 13.7mn passengers, a rise of 24.0% Y/Y. This was via 85,400 flights, a rise of 6.0% compared with the same period of 2022. The number of international passengers surged 52.0% Y/Y to 7.4mn, while domestic passengers stood at nearly 6.3mn. Total flight hours rose 22.0% to 261,600. (Source: Argaam)
- CMA gave the go-ahead for Salama Cooperative Insurance Co.'s request to increase its capital through a rights issue worth SAR 100.0mn. (Source: Tadawul)
- Naba Alsaha Medical Services Co. received SAR 35.0mn worth of credit facilities from Riyadh Bank to build a new hospital in Riyadh. The facilities have a term of seven years, including a 24-month grace period. (Source: Tadawul)

Earnings update (Net Profit) (SAR mn)

Company	Q2-23	Q2-22	Y/Y %	Q1-23	Q/Q %
Arab National Bank	986.0	708.0	39.3	1,068.0	-7.7
Saudi Tadawul Group	105.2	137.7	-23.6	90.8	15.9
YANSAB	27.4	288.5	-90.5	-369.7	NM

Market Analysis

- The Saudi Stock Exchange ended flat to 11,755.9 on Thursday. The value traded stood at SAR 5.8bn (up 4.7% over previous day), while the advance-decline ratio stood at 77/140. The parallel market index increased 0.8% to 23,277.4 points. The value traded stood at SAR 21.8mn (up 1.7% over previous day). Most sectors in the main market ended in the red. Software & Services and Real Estate (up 2.8% and 1.6%, respectively) advanced the most; Consumer Durables and Pharma, Biotech & Life Science (down 0.9% each) led the laggards.

Top Gainers

Company	Price	Change%
ELM	691.00	5.3
AWPT	159.00	3.5
ALARABIA	195.00	3.1
SGS	34.85	3.0
CARE	133.00	2.9

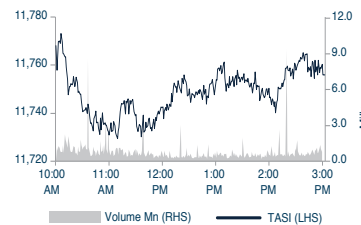
Top Losers

Company	Price	Change%
ALBAHA	0.17	-5.6
NAQI	78.70	-4.5
SAUDI RE	17.98	-4.1
ARABIAN SHIELD	19.58	-4.0
GIG	31.65	-4.0

Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	11,756	11,776	11,724	0.0	12.2
NomuC	23,277	23,310	23,020	0.8	19.9

TASI movement during session



TASI Ratios

P/E* (x)	22.14
Price-to-Book (x)	2.36
Dividend Yield (%)	2.54
Return on Equity (%)	25.09

*Source: Argaam (Excluding Aramco)

Index	Close	Daily Change%	YTD %	PE (TTM)
Energy	6,058	0.0	11.6	13.7
Materials	6,494	-0.6	3.3	21.3
Capital Goods	7,612	-0.3	45.7	21.5
Commercial Service	5,123	-0.6	49.1	39.0
Transportation	6,177	0.2	36.0	High
Consumer Durables	5,528	-0.9	30.8	Neg
Consumer Services	5,107	-0.3	38.4	47.8
Media	23,901	-0.0	11.2	25.9
Retailing	8,379	-0.2	16.8	24.0
Food & Staples	10,805	-0.5	26.5	22.3
Food & Beverages	6,233	0.0	34.3	35.3
Healthcare	12,620	0.1	38.5	High
Pharma & Bio Tech	5,185	-0.9	80.4	Neg
Banks	11,658	-0.2	1.0	14.7
Diversified Financial	7,216	-0.1	13.4	33.2
Insurance	7,851	-0.3	47.7	37.0
Telecom	8,241	0.7	29.0	18.4
Utilities	8,765	0.8	22.2	15.8
REITs	3,794	0.1	-4.6	31.7
Real Estate	3,495	1.6	39.8	High
Software & Services	63,964	2.8	78.2	46.5

Average Index Value

Average days 5	Average days 10	Average days 20	Average value traded for the month (bn)
11,755	11,707	11,609	6.97

Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	-	-	-
Previous week	34.4	1,375.2	2,220.8

Top Weighted Companies

Company	Price	Change%
Saudi Aramco	32.30	0.0
Al Rajhi	70.80	0.0
SNB	40.50	-0.2
SABIC	84.20	-1.5
STC	45.45	0.3



International Market News

- According to Baker Hughes, North America's rig count decreased to 856 in the week ended July 21 from 862 earlier. The rig count fell to 669 in the US from 675 earlier, while remained unchanged at 18 in the Gulf of Mexico. The rig count in Canada was steady at 187. (Source: Baker Hughes)
- US initial jobless claims decreased to 228,000 (consensus: 241,000) in the week ended July 15, representing a fall of 9,000 from the previous week's revised level of 237,000. (Source: Econoday)
- UK's retail sales advanced 0.7% M/M in June (consensus: an increase of 0.2%) compared to 0.1% rise in May. All the main sectors of retail sales such as food, non-food and non-store retailing expanded in June, except automotive fuel. (Source: RTT News)
- Japan's CPI rose 3.3% Y/Y in June (consensus: an increase of 3.5%), higher than 3.2% growth in May. On a seasonally adjusted M/M basis, inflation rose 0.1% (in line with consensus) following the flat reading in the previous month. (Source: RTT News)
- Oil prices increased 1.8% on Friday due to expectations of supply tightening in upcoming period amid rising tension between Russia and Ukraine.
- Gold prices fell 0.4% weighed down by a rebound US dollar due to rising doubts over US Fed's pause in the meeting next week after positive US weekly job data.

Forex / Currency

Currency / USD	Close	Daily Change%	MTD %	YTD %
Dollar Index	101.07	0.2	-1.8	-2.4
Euro	1.11	-0.1	2.0	3.9
Japanese Yen	141.73	1.2	-1.8	8.1
Sterling Pound	1.29	-0.1	1.2	6.4
Chinese Yuan	7.19	0.2	-1.1	3.8
Indian Rupee	81.96	-0.0	-0.1	-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	-0.2	0.3
Omani Rial	0.39	0.0	0.0	0.0
Bahraini Dinar	0.38	-0.0	-0.0	-0.0
Egyptian Pound	30.80	0.0	-0.3	24.4

Corporate Calendar

Date	Company	Event
23 rd Jul	CENOMI CENTERS	Eligibility for Cash Dividend
23 rd Jul	TALEEM REIT	Eligibility for Cash Dividend
23 rd Jul	Marble Design	IPO
24 th Jul	ALASEEL	Eligibility for Cash Dividend
24 th Jul	RIBL	Conference Call
26 th Jul	TAKWEEN	EGM

*EGM: Extra Ordinary Meeting

*OGM: Ordinary General Meeting

Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	3,986	-0.0	-0.9	19.8	9.6
Abu Dhabi (ADX)	9,629	-0.4	-0.7	-6.2	32.3
Kuwait (KSE)	8,161	0.5	0.0	0.6	19.4
Qatar (QE)	10,446	0.7	1.4	-2.2	12.6
Oman (MSM)	4,805	-0.1	-0.1	-1.1	12.9
Bahrain (BSE)	1,977	-0.5	-0.5	4.3	7.0
Egypt (EGX30)	17,579	-0.2	-0.2	20.4	9.4

International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	35,228	0.0	2.4	6.3	20.4
Nasdaq	15,426	-0.3	1.6	41.0	34.3
S&P 500	4,536	0.0	1.9	18.1	21.8
FTSE 100	7,664	0.2	1.8	2.8	10.6
Germany DAX 30	16,177	-0.2	0.2	16.2	13.0
France CAC 40	7,433	0.6	0.4	14.8	12.7
Japan Nikkei 225	32,304	-0.6	-2.7	23.8	31.5
Russia MOEX	2,924	0.2	4.5	35.7	2.3
Hong Kong Hang Seng	19,075	0.8	0.8	-3.6	9.7
South Korea KOSPI	2,610	0.4	1.8	16.7	15.4
China Shanghai Composite	3,168	-0.1	-1.1	2.5	14.2
Australia ASX 200	7,314	-0.2	1.5	3.9	14.9
India Sensex	66,684	-1.3	3.0	9.6	24.9
MSCI EM	1,015	-0.3	2.5	6.1	13.3
MSCI World	3,029	-0.0	2.1	16.4	19.2

Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	84.86	1.3	8.3	0.7
Brent Crude (\$/bbl)	81.07	1.8	8.2	-5.6
Texas crude (\$/bbl)	77.07	1.9	9.1	-4.0
Natural Gas (\$/mmbtu)	2.71	-1.6	-3.0	-34.8
Gold (\$/oz)	1,961.94	-0.4	2.2	7.6
Silver (\$/oz)	24.61	-0.6	8.1	2.8
Steel (\$/ton)	858.00	0.0	-2.6	15.3
Iron Ore (CNY/MT)	888.50	-0.1	0.3	3.7
Wheat (\$/bu)	697.50	-4.1	7.1	-13.8
Corn (\$/bu)	536.25	-1.8	8.4	-12.2
Sugar (\$/lb)	25.01	1.4	9.7	40.3
SMP* (EUR/MT)	2,351.00	0.1	-3.7	-15.3

*SMP: Skimmed Milk Powder

Interbank Rates

Region	Rate*	Daily Change(bps)	MTD (bps)	YTD (bps)
KSA (SAIBOR 1M)	5.61	3.0	-4.3	88.2
KSA (SAIBOR 3M)	5.94	-1.0	-1.2	59.8
KSA (SAIBOR 6M)	5.96	-1.7	1.6	36.3
KSA (SAIBOR 12M)	5.94	-0.3	1.5	6.6
USA (SOFR 3M)	5.35	0.6	8.3	76.4
UAE (EIBOR 3M)	5.36	-3.9	19.6	105.3

Data Sources: Tadawul, Bloomberg, Reuters
Closes as of July 21, 2023



Technical observations	
Index	TASI
Ticker	SASEIDX Index
Last Close	11,756
Short-term view	Cautious Buy
52 weeks high/low	13,949 – 9,931

Market data	
Exchange Market Cap. (SAR bn)	11,022.2
Value (SAR mn)	5,826.0
Volume (mn)	245.4
Number of Transactions	387,269
Market Breadth	77 : 140

Key statistics	
1D return %	0.03%
MTD return %	2.59%
QTD return	2.59%
YTD return	12.19%
ADT vol. 3M* (mn)	240.5
ADT val. 3M (SARmn)	6,254.4

*ADT stands for Average Daily Traded

TASI market commentary

- TASI witnessed a marginal rise on Thursday which was led by index heavyweight Telecommunication services (0.71% D/D) and Energy (0.02% D/D) sectors. At close, the Saudi market ended the day with a change of 0.03% at 11,756. In terms of activity, total volumes and value traded were ~245mn and ~SAR 5.8bn, respectively. The advance-decline ratio came in at 77/140.

Technical outlook

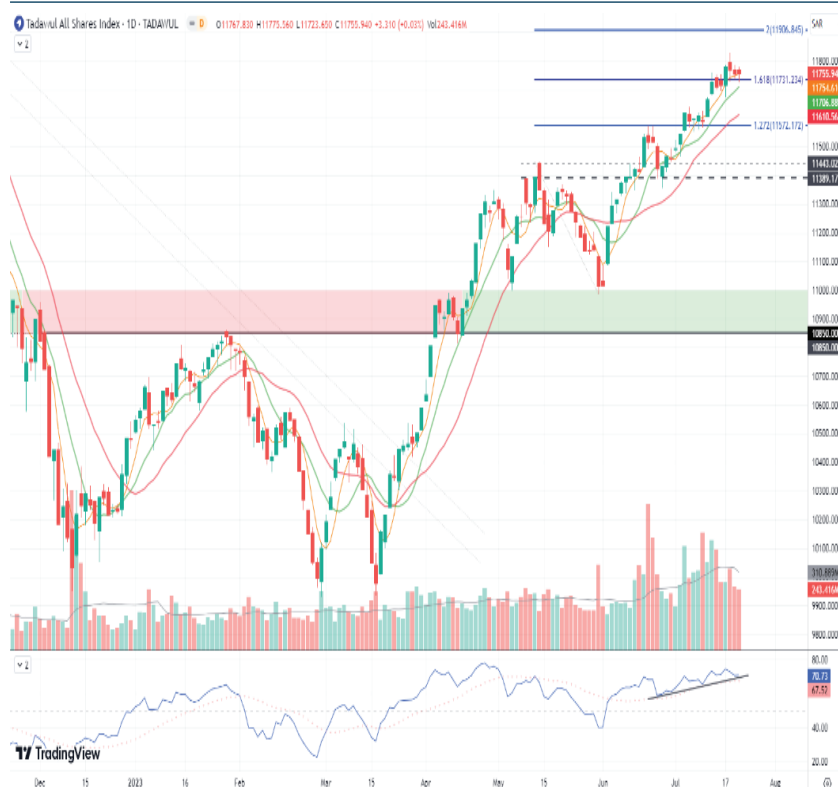
- TASI gained only 3 points to close near 11,756. The index formed another small-bodied candlestick, indicating a near-term balance of buying and selling powers. Nevertheless, a subsequent rally toward the 200% Fibonacci retracement near 11,900 remains possible as long as the index maintains trading above the critical support level of the 161.8% Fibonacci retracement at 11,730. Moreover, TASI is still trading above its 10-day SMA adding to the bullish evidence. Furthermore, the RSI indicator continued to hover above the level of 50 inside the bullish territory. TASI currently has immediate support near 11,730 at the 161.8% Fibonacci retracement level followed by 11,670 near the prior minor trough. If breached, the index would be expected to meet the next support near the level of 11,610 near the 20-day SMA. On the other hand, immediate resistance is seen at around 11,800. If penetrated, the next resistance is expected to lay near the strong resistance of 11,900 at the 200% Fibonacci retracement level. Traders are advised to cautiously buy as long as the index remains above the support level of 11,730 at the 161.8% Fibonacci retracement.

Key price levels						
S3	S2	S1	Pivot	R1	R2	R3
11,610	11,670	11,730	11,800	11,900	12,030	12,100



Source: Bloomberg, Argaam

TASI daily chart



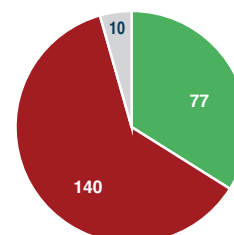
Source: Tradingview, Aljazira Capital

Our view



Market depth

Unchanged
Up
Down



SAUDI MARKET - TOP PICKS FOR THE DAY

Code	Company	Close*	Buy range	Target	Stop loss
4031	.Saudi Ground Services Co	34.85	34.85 - 34.75	35.20	34.50
4004	Dallah Healthcare Company	175.20	175.20 - 174.80	176.80	173.45
1810	Seera Group Holding	27.85	27.85 - 27.80	28.15	27.55
4003	United Electronics Co.	83.30	83.30 - 83.10	84.10	82.50
4050	Saudi Automotive Services Co.	65.00	65.00 - 64.85	65.65	64.35
4191	Abdullah Saad Mohammed Abo Moati for Bookstores Co.	33.40	33.40 - 33.30	33.75	33.05

* As of 20th Jul 2023

* Note – Stop loss is based on an intraday basis

CHARTS OF THE DAY

Technical observations

SGS bounce off its 50-day SMA as well as the level of the prior peak. Moreover, all the technical indicators show bullish structure.

Saudi Ground Services Co. (SGS)



Source: Tradingview, AlJazira Capital

Technical observations

Dallah Health penetrated the level of the prior peak. 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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