



## Major Economic News

- The Saudi Ministry of Tourism said nationals from Azerbaijan, Albania, Uzbekistan, South Africa, Georgia, Tajikistan, Kyrgyzstan and Maldives can now apply for a visitor visa online, bringing the total number of countries benefiting from this system to 57. (Source: Argaam)

## Major Corporate News

- National Water Co. concluded a long-term contract with Alkhorayef Water and Power Technologies Co. to renovate, operate and maintain wastewater treatment plants in Manfuha, Riyadh, for 15 years. The contract is valued at over SAR 1.6bn at a tariff of SAR 0.41 cu. m. per day. (Source: Tadawul)
- Arabian Internet and Communications Services Co. signed a contract worth SAR 381.9mn (VAT inclusive) with STC to establish and develop internet and communications networks for the latter. (Source: Tadawul)
- Red Sea International Co. signed a contract worth SAR 29.1mn (excluding VAT) with The Fundamental Installation for Electric Work Co. to design, manufacture, supply, and install prefabricated modular buildings in NEOM. (Source: Tadawul)

## Earnings update (Net Profit) (SAR mn)

Company	Q2-23	Q2-22	Y/Y %	Q1-23	Q/Q %
Al-Jouf	4.7	6.8	-31.2	20.1	-76.6
National Medical Care	47.8	42.0	13.8	56.3	-15.1
Alhokair Group	4.9	-35.7	NM	-34.3	NM
Al-EtiHAD	53.6	-34.8	NM	16.2	230.9
Walaa	41.1	-46.1	NM	26.8	53.5
Arabian Cement Co.	28.0	45.0	-37.8	49.2	-43.1
Alakaria	-82.5	45.3	NM	8.9	NM
EPCCO	51.0	49.0	4.1	56.0	-8.9

## Market Analysis

- The Saudi Stock Exchange declined 0.2% to 11,351.5. The value traded stood at SAR 3.8bn (down 34.2% over previous day), while the advance-decline ratio stood at 50/162. The parallel market index declined 0.2% to 24,582.8 points. The value traded stood at SAR 31.5mn (down 7.1% over previous day). Most sectors in the main market ended in the red. Food & Beverages and Commercial Services (down 3.4% and 1.7%, respectively) declined the most; Software & Services and Utilities (up 1.2 % and 0.8%, respectively) advanced the most.

## Top Gainers

Company	Price	Change%
SSP	30.20	6.5
FITNESS TIME	158.60	5.2
ELM	673.00	4.2
SAB	36.05	3.6
AWPT	167.00	2.7

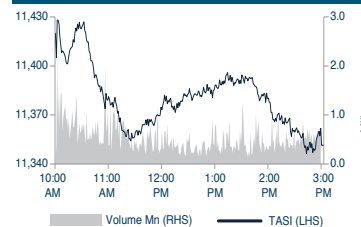
## Top Losers

Company	Price	Change%
NADEC	43.20	-10.0
Saudi German Health	57.10	-9.9
AMIAANTIT	41.25	-9.9
HB	58.70	-8.9
2P	22.86	-7.2

## Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	11,351	11,438	11,344	-0.2	8.3
NomuC	24,583	25,163	24,457	-0.2	26.6

## TASI movement during session



## TASI Ratios

P/E* (x)	22.55
Price-to-Book (x)	2.27
Dividend Yield (%)	2.64
Return on Equity (%)	24.84

\*Source: Argaam (Excluding Aramco)

Index	Close	Daily Change%	YTD %	PE (TTM)
Energy	6,057	0.1	11.6	13.7
Materials	6,478	-0.3	3.0	21.4
Capital Goods	7,328	-0.8	40.2	20.8
Commercial Service	4,897	-1.7	42.5	37.3
Transportation	5,835	-1.6	28.5	High
Consumer Durables	5,260	-1.2	24.5	Neg
Consumer Services	5,282	0.5	43.1	High
Media	23,889	-1.4	11.1	25.9
Retailing	7,988	-0.3	11.3	22.9
Food & Staples	10,382	-1.0	21.6	21.2
Food & Beverages	5,900	-3.4	27.2	33.3
Healthcare	11,865	-0.9	30.2	High
Pharma & Bio Tech	5,112	-1.5	77.9	Neg
Banks	11,090	0.0	-3.9	13.9
Diversified Financial	6,967	-1.0	9.5	32.4
Insurance	7,361	0.2	38.4	34.7
Telecom	7,544	-0.4	18.1	16.8
Utilities	8,051	0.8	12.2	14.6
REITs	3,768	-0.3	-5.2	31.4
Real Estate	3,474	-0.2	39.0	High
Software & Services	61,373	1.2	71.0	44.3

## Average Index Value

Average days 5	Average days 10	Average days 20	Average value traded for the month (bn)
11,507	11,676	11,699	5.1

## Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	3.8	168.55	291.01
Previous week	27.3	1,064.20	1,833.99

## Top Weighted Companies

Company	Price	Change%
Saudi Aramco	32.30	0.2
Al Rajhi	71.20	-0.3
SNB	37.15	-0.3
SABIC	85.00	0.0
STC	41.05	-1.1



## International Market News

- According to Baker Hughes, North America's rig count decreased to 847 in the week ended August 04 from 857 earlier. The rig count fell to 659 in the US from 664 earlier, while declined to 18 in the Gulf of Mexico from 19. The rig count in Canada decreased to 188 from 193 earlier. (Source: Baker Hughes).
- US initial jobless claims increased to 227,000 (in line with consensus) in the week ended July 29, representing a rise of 6,000 from the previous week's revised level of 221,000. (Source: RTT News)
- US ISM services PMI slid to 52.7 in July (consensus: 53.0) from 53.9 in June. The decline of the headline index partly reflected a slowdown in the pace of growth in business activity. (Source: RTT News).
- China's Caixin services PMI rose to 54.1 in July (consensus: 52.5) from a five-month low of 53.9 in June. The expansion of activity in the services sector was driven by growth in new business. (Source: RTT News)
- US factory orders increased 2.3% in June (consensus: an increase of 2.2%) compared to an upwardly revised 0.4% growth in May. Durable goods orders led the rise in factory orders, up 4.6%. (Source: RTT News)
- Eurozone retail sales decreased 0.3% M/M in June (consensus: 0.2% rise) as against a 0.6% increase in May. (Source: Econoday)

## Forex / Currency

Currency / USD	Close	Daily Change%	MTD %	YTD %
Dollar Index	102.02	0.0	0.2	-1.5
Euro	1.10	0.0	0.1	2.8
Japanese Yen	141.76	0.0	-0.4	8.1
Sterling Pound	1.27	0.0	-0.7	5.5
Chinese Yuan	7.19	0.0	0.6	3.8
Indian Rupee	82.84	0.0	0.7	0.1
UAE Dirham	3.67	0.0	0.0	0.0
Qatari Rial	3.65	0.0	0.0	-0.7
Kuwaiti Dinar	0.31	0.0	0.1	0.5
Omani Rial	0.38	0.0	-0.1	0.0
Bahraini Dinar	0.38	0.0	0.0	0.0
Egyptian Pound	30.94	0.0	0.1	24.9

## Corporate Calendar

Date	Company	Event
07 <sup>th</sup> Aug	RIBL	Cash Dividend Distribution
07 <sup>th</sup> Aug	JARIR	Eligibility for Cash Dividend
07 <sup>th</sup> Aug	MOUWASAT	Ex-bonus date
07 <sup>th</sup> Aug	SAUDI ARAMCO	Financial Results
08 <sup>th</sup> Aug	ANB	Cash Dividend Distribution
08 <sup>th</sup> Aug	SIIG	Eligibility for Cash Dividend

\*EGM: Extra Ordinary Meeting

\*OGM: Ordinary General Meeting

## Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	4,083	0.0	0.6	22.7	9.3
Abu Dhabi (ADX)	9,786	0.0	0.0	-4.7	32.5
Kuwait (KSE)	7,942	0.1	-1.5	-2.1	18.9
Qatar (QE)	10,821	0.2	-1.3	1.3	0.0
Oman (MSM)	4,760	-0.5	-0.3	-2.0	13.0
Bahrain (BSE)	1,982	0.0	-0.5	4.6	7.0
Egypt (EGX30)	17,697	1.4	0.6	21.2	9.4

## International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	35,066	0.0	-1.4	5.8	21.0
Nasdaq	15,275	0.0	-3.1	39.6	34.1
S&P 500	4,478	0.0	-2.4	16.6	21.8
FTSE 100	7,564	0.0	-1.8	1.5	10.5
Germany DAX 30	15,952	0.0	-3.0	14.6	13.0
France CAC 40	7,315	0.0	-2.4	13.0	12.6
Japan Nikkei 225	32,193	0.0	-3.0	23.4	31.3
Russia MOEX	3,092	0.0	0.6	43.6	2.4
Hong Kong Hang Seng	19,539	0.0	-2.7	-1.2	10.0
South Korea KOSPI	2,603	0.0	-1.1	16.4	15.3
China Shanghai Composite	3,288	0.0	-0.1	6.4	14.6
Australia ASX 200	7,325	0.0	-1.1	4.1	15.0
India Sensex	65,721	0.0	-1.2	8.0	22.9
MSCI EM	1,018	0.0	-2.8	6.4	13.4
MSCI World	2,987	0.0	-2.5	14.7	19.0

## Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	90.20	0.0	1.6	7.1
Brent Crude (\$/bbl)	86.24	0.0	0.8	0.4
Texas crude (\$/bbl)	82.82	0.0	1.2	3.2
Natural Gas (\$/mmbtu)	2.58	0.0	-2.2	-37.3
Gold (\$/oz)	1,942.91	0.0	-1.1	6.5
Silver (\$/oz)	23.63	0.0	-4.5	-1.3
Steel (\$/ton)	803.00	0.0	-2.7	7.9
Iron Ore (CNY/MT)	913.00	0.0	1.7	6.5
Wheat (\$/bu)	633.00	0.0	-4.9	-21.8
Corn (\$/bu)	497.25	0.0	-3.1	-18.6
Sugar (\$/lb)	23.69	0.0	-1.7	32.9
SMP* (EUR/MT)	2,242.00	0.0	-5.2	-19.2

\*SMP: Skimmed Milk Powder

## Interbank Rates

Region	Rate*	Daily Change(bps)	MTD (bps)	YTD (bps)
KSA (SAIBOR 1M)	5.75	0.2	3.5	102.0
KSA (SAIBOR 3M)	6.00	0.1	-1.3	65.5
KSA (SAIBOR 6M)	6.02	0.6	0.1	42.2
KSA (SAIBOR 12M)	6.06	1.2	2.0	19.0
USA (SOFR 3M)	5.37	0.0	0.5	78.3
UAE (EIBOR 3M)	5.46	0.0	19.3	114.6

Data Sources: Tadawul, Bloomberg, Reuters  
Closes as of August 6, 2023



Technical observations	
Index	TASI
Ticker	SASEIDX Index
Last Close	11,352
<b>Short-term view</b>	Profit Booking
52 weeks high/low	13,949 – 9,931

Market data	
Exchange Market Cap. (SAR bn)	10,891.0
Value (SAR mn)	3,780.7
Volume (mn)	168.5
Number of Transactions	291,007
Market Breadth	50 :162

Key statistics	
1D return %	-0.21%
MTD return %	-2.91%
QTD return	-0.94%
YTD return	8.33%
ADT vol. 3M* (mn)	244.7
ADT val. 3M (SARmn)	6,253.3

\*ADT stands for Average Daily Traded

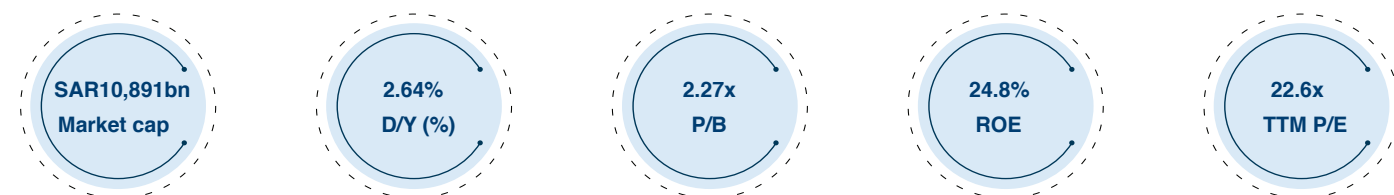
### TASI market commentary

- TASI witnessed a decline on Sunday which was led by index heavyweight Telecommunications services (-0.39% D/D) and Materials (-0.35% D/D) sectors. At close, the Saudi market ended the day with a change of -0.21% at 11,352. In terms of activity, total volumes and value traded were ~169mn and ~SAR 3.8bn, respectively. The advance-decline ratio came in at 50/162.

### Technical outlook

- TASI lost 24 points to close near 11,352. The index resumed falling for the seventh session in a row with liquidity gradually diminishing. Moreover, the last session was one of the lowest liquidity records since early June indicating the weakness of the selling power. Furthermore, the RSI indicator after breaching its rising trendline as well as the level of 50 and falling down; has just reached a level near prior troughs near the level of 30 suggesting a possible impending upside rebound. TASI has immediate support at around the significant level of 11,350. If breached, the index would be expected to meet the next level of support at 11,190 followed by 11,100. On the other hand, immediate resistance is seen at around 11,460 followed by 11,570. If penetrated, the next resistance is expected to lay near 11,670. Although the profit-booking sentiment is still dominating so far, the index is currently testing the key support level of 11,350 near the 61.8% Fibonacci retracement, where a possible minor upside rebound may start.

Key price levels						
S3	S2	S1	Pivot	R1	R2	R3
11,100	11,190	11,350	11,460	11,570	11,670	11,700



Source: Bloomberg, Argaam

### TASI daily chart



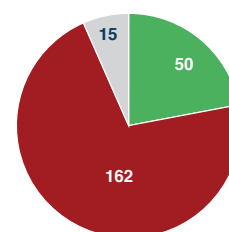
Source: Tradingview, Aljazira Capital

### Our view



### Market depth

Unchanged  
Up  
Down





## SAUDI MARKET - TOP PICKS FOR THE WEEK

Code	Company	Close*	Buy range	Target 1	Target 2	Reward %	Stop loss
4240	Fawaz Abdulaziz Alhokair Co.	15.70	15.55 – 15.70	15.94	16.20	3.18%	15.36

\* As of 06<sup>th</sup> August 2023

\* Note – Stop loss is based on a closing basis and not an intraday basis

## CHARTS OF THE WEEK

## Technical observations

**CENOMI RETAIL** penetrated its 10&20-day SMAs as well as the upper boundary of a declining channel. Moreover, the volume and the RSI indicator are showing a bullish structure confirming the price action. We recommend buying the stock in a range of SAR15.70 – 15.55, for a target of SAR15.94 followed by SAR16.20, with a stop loss below SAR15.36 on a closing basis.

## Fawaz Abdulaziz Alhokair Co. (CENOMI RETAIL)



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.