



Major Economic News

- Consumer spending in Saudi Arabia increased 11.0% to SAR 115.4bn in June, from SAR 103.6bn during the same month last year. POS transactions rose 13.0% Y/Y to around SAR 51.9bn in June. Data showed that 756.4mn transactions were processed through 1.6mn POS devices in June. (Source: Argaam)

Major Corporate News

- Perfect Presentation for Commercial Services Co. renewed a Shariah-compliant bank facilities agreement worth nearly SAR 70.2mn with Saudi National Bank. (Source: Tadawul)
- Arabian Pipes Co. signed a contract worth nearly SAR 302.0mn with Saudi Aramco to supply the latter with steel pipes. The relevant financial impact of the 11 months contract will appear on Q1-24 and Q2-24 financials. (Source: Tadawul)

Earnings update (Net Profit) (SAR mn)

Company	Q2-23	Q2-22	Y/Y %	Q1-23	Q/Q %
Aljazira Takaful	19.0	2.1	827.7	7.9	140.7
Al Sagr	9.0	-34.2	NM	11.2	-20.1
Savola Group	132.0	213.8	-38.3	392.7	-66.4
Gulf General	-6.1	-5.9	NM	5.0	NM
Al Yamamah Steel	-47.4	0.6	NM	-17.9	NM
Gulf Union Alahlia	31.3	0.9	NM	28.4	10.0
Cenomi Centers	337.1	184.9	82.3	388.0	-13.1
GASCO	54.5	31.8	71.4	73.0	-25.3
SIDC	-9.7	-6.6	NM	-0.7	NM
MEPCO	-22.8	99.2	NM	-7.1	NM
City Cement	24.3	24.8	-2.2	27.6	-12.0
Seera Group Holding	67.0	-68.0	NM	57.0	17.5
Maadaniyah	-7.6	-8.2	NM	-4.9	NM
Allianz SF	13.2	-4.8	NM	13.5	-2.5
Tabuk Cement Co.	10.0	2.5	300.4	19.4	-48.5
Saudi Electricity Company	4,017.0	5,502.0	-27.0	480.0	736.9

Market Analysis

- The Saudi Stock Exchange declined 0.2% to 11,244.3. The value traded stood at SAR 6.4bn (-0.3% over previous day), while the advance-decline ratio stood at 115/102. The parallel market index declined 0.4% to 23,539.8 points. The value traded stood at SAR 43.5mn (up 18.7% over previous day). Most sectors in the main market ended in the red. Healthcare and Diversified Financials (down 4.1% and 2.0%, respectively) declined the most; Pharma & Bio Tech and Software & Services (up 5.9% and 3.4%, respectively) advanced the most.

Top Gainers

Company	Price	Change%
CENOMI RETAIL	16.74	10.0
EIC	37.30	9.9
ALRAJHI TAKAFUL	152.00	9.7
MALATH INSURANCE	24.90	7.1
ALETIHAD	20.08	6.0

Top Losers

Company	Price	Change%
MOUWASAT	110.00	-8.9
DWF	125.60	-7.1
DALLAH HEALTH	154.00	-6.4
ALBAHA	0.16	-5.9
GIG	32.60	-4.1

Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	11,244	11,379	11,244	-0.2	7.3
NomuC	23,540	23,910	23,458	-0.4	21.2

TASI movement during session



TASI Ratios

P/E* (x)	22.7
Price-to-Book (x)	2.24
Dividend Yield (%)	2.69
Return on Equity (%)	22.19

*Source: Argaam (Excluding Aramco)

Index	Close	Daily Change%	YTD %	PE (TTM)
Energy	6,191	1.2	14.1	14.0
Materials	6,329	-0.9	0.6	20.8
Capital Goods	7,303	1.8	39.7	20.7
Commercial Service	4,709	2.4	37.0	35.9
Transportation	5,803	0.3	27.8	High
Consumer Durables	5,199	0.5	23.1	Neg
Consumer Services	5,118	-0.3	38.7	48.6
Media	22,931	-1.2	6.7	24.7
Retailing	7,878	-0.3	9.8	22.7
Food & Staples	10,256	1.1	20.1	20.8
Food & Beverages	5,967	-0.8	28.6	33.6
Healthcare	11,204	-4.1	23.0	49.8
Pharma & Bio Tech	5,066	5.9	76.3	Neg
Banks	10,955	-0.5	-5.1	13.7
Diversified Financial	6,664	-2.0	4.8	31.5
Insurance	7,506	0.5	41.2	35.3
Telecom	7,382	0.1	15.6	16.4
Utilities	8,021	-0.8	11.8	14.6
REITs	3,753	-0.1	-5.6	31.3
Real Estate	3,355	-1.0	34.2	High
Software & Services	62,456	3.4	74.0	44.9

Average Index Value

Average days 5	Average days 10	Average days 20	Average value traded for the month (bn)
11,344	11,559	11,662	5.5

Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	16.6	659.90	1,170.18
Previous week	27.3	1,064.20	1,833.99

Top Weighted Companies

Company	Price	Change%
Saudi Aramco	33.05	1.2
Al Rajhi	71.10	0.0
SNB	35.80	-2.2
SABIC	84.10	-1.1
STC	40.20	0.5



International Market News

- US trade deficit contracted to USD 65.5bn in June (consensus: USD 65.0bn) from a revised USD 68.3bn in May. The narrower trade deficit came as the value of imports slid 1.0% to USD 313.0bn, while the value of exports edged down 0.1% to USD 247.5bn. (Source: RTT News)
- Total retail sales in the UK grew 1.5% Y/Y in July, slower than the 2.3% increase in the same period last year. The pace of growth slowed due to bad weather. Like-for-like sales were up 1.8%, following a 1.6% rise in July 2022. (Source: RTT News)
- China's consumer prices fell 0.3% Y/Y in July (consensus: a decline of 0.4%) following the flat annual reading in June. On an M/M basis, consumer prices rose 0.2% (consensus: 0.1% increase) compared to a 0.2% decline in the previous month. (Source: CNBC).
- The average of household spending in Japan was down 4.2% Y/Y (consensus: a decline of 4.1%) in June to JPY 275,545. The average monthly income per household stood at JPY 898,984, down 5.6%Y/Y. (Source: RTT News)
- Oil prices increased 1.0% due to a positive outlook on the US economy by government agencies partially offset by weaker import and export data from China.
- Gold prices fell 0.6%, impacted by the prospects of more rate hikes by the US Federal Reserve.

Forex / Currency

Currency / USD	Close	Daily Change%	MTD %	YTD %
Dollar Index	102.53	0.5	0.7	-1.0
Euro	1.10	-0.4	-0.4	2.3
Japanese Yen	143.38	0.6	0.8	9.4
Sterling Pound	1.27	-0.3	-0.7	5.5
Chinese Yuan	7.24	0.5	1.3	4.6
Indian Rupee	82.84	0.1	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	0.2	0.5
Omani Rial	0.39	0.1	0.0	0.0
Bahraini Dinar	0.38	0.0	0.0	0.0
Egyptian Pound	30.90	0.2	-0.1	24.8

Corporate Calendar

Date	Company	Event
09 th Aug	Alinma	Eligibility for Cash Dividend
09 th Aug	MIS	Cash Dividend Distribution
10 th Aug	ACC	Eligibility for Cash Dividend
10 th Aug	ARDCO	Eligibility for Cash Dividend
10 th Aug	Catering	Eligibility for Cash Dividend
10 th Aug	SULAIMAN ALHABIB	Eligibility for Cash Dividend

*EGM: Extra Ordinary Meeting

*OGM: Ordinary General Meeting

Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	4,078	0.0	0.5	22.5	9.3
Abu Dhabi (ADX)	9,990	1.7	2.1	-2.7	33.1
Kuwait (KSE)	7,945	-0.6	-1.4	-2.1	14.3
Qatar (QE)	10,686	-1.1	-2.5	0.0	13.2
Oman (MSM)	4,762	-0.3	-0.3	-2.0	13.0
Bahrain (BSE)	1,976	0.0	-0.8	4.2	7.0
Egypt (EGX30)	17,749	-0.5	0.9	21.6	9.4

International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	35,314	-0.4	-0.7	6.5	21.1
Nasdaq	15,273	-0.9	-3.1	39.6	32.0
S&P 500	4,499	-0.4	-2.0	17.2	21.9
FTSE 100	7,527	-0.4	-2.2	1.0	10.5
Germany DAX 30	15,775	-1.1	-4.1	13.3	12.9
France CAC 40	7,269	-0.7	-3.0	12.3	12.5
Japan Nikkei 225	32,377	0.4	-2.4	24.1	31.5
Russia MOEX	3,085	0.0	0.4	43.2	2.4
Hong Kong Hang Seng	19,184	-1.8	-4.5	-3.0	9.8
South Korea KOSPI	2,574	-0.3	-2.2	15.1	17.4
China Shanghai Composite	3,261	-0.3	-0.9	5.5	14.5
Australia ASX 200	7,311	0.0	-1.3	3.9	14.9
India Sensex	65,847	-0.2	-1.0	8.2	23.0
MSCI EM	1,004	-1.2	-4.1	4.9	13.4
MSCI World	2,988	-0.5	-2.5	14.8	19.2

Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	89.34	-1.5	0.6	6.1
Brent Crude (\$/bbl)	86.17	1.0	0.7	0.3
Texas crude (\$/bbl)	82.92	1.2	1.4	3.3
Natural Gas (\$/mmbtu)	2.78	1.9	5.4	-32.4
Gold (\$/oz)	1,925.24	-0.6	-2.0	5.5
Silver (\$/oz)	22.78	-1.5	-7.9	-4.9
Steel (\$/ton)	802.00	-0.2	-2.8	7.8
Iron Ore (CNY/MT)	882.00	-2.4	-1.7	2.9
Wheat (\$/bu)	681.50	0.1	2.4	-15.8
Corn (\$/bu)	498.75	0.6	-2.8	-18.3
Sugar (\$/lb)	23.45	-1.2	-2.7	31.6
SMP* (EUR/MT)	2,262.00	0.4	-4.4	-18.5

*SMP: Skimmed Milk Powder

Interbank Rates

Region	Rate*	Daily Change(bps)	MTD (bps)	YTD (bps)
KSA (SAIBOR 1M)	5.73	4.2	2.0	100.5
KSA (SAIBOR 3M)	6.08	4.9	7.2	74.0
KSA (SAIBOR 6M)	6.01	0.9	-0.5	41.6
KSA (SAIBOR 12M)	6.04	-0.2	0.1	17.0
USA (SOFR 3M)	5.37	-0.2	0.0	77.8
UAE (EIBOR 3M)	5.37	-13.0	10.3	105.6

Data Sources: Tadawul, Bloomberg, Reuters
Closes as of August 8, 2023



Technical observations

Index	TASI
Ticker	SASEIDX Index
Last Close	11,244
Short-term view	Profit Booking
52 weeks high/low	13,949 – 9,931

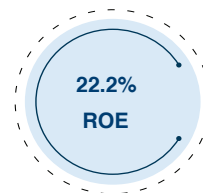
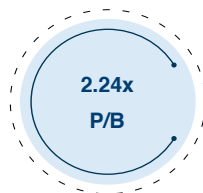
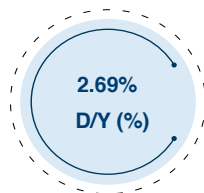
Market data

Exchange Market Cap. (SAR bn)	11,018.7
Value (SAR mn)	6,380.6
Volume (mn)	219.9
Number of Transactions	403,250
Market Breadth	115 : 102

Key statistics

1D return %	-0.25%
MTD return %	-3.83%
QTD return	-1.87%
YTD return	7.31%
ADT vol. 3M* (mn)	245.3
ADT val. 3M (SARmn)	6,271.6

*ADT stands for Average Daily Traded



Source: Bloomberg, Argaam

TASI market commentary

- TASI witnessed a decline on Tuesday which was led by index heavyweight Materials (-0.86% D/D) and Banks (-0.47% D/D) sectors. At close, the Saudi market ended the day with a change of -0.25% at 11,244. In terms of activity, total volumes and value traded were ~220mn and ~SAR 6.4bn, respectively. The advance-decline ratio came in at 115/102.

Technical outlook

- TASI lost 28 points to close near 11,244. The index witnessed another powerful start for the second session in a row; followed by selling pressure that forced the index to end the session near the low unfolding the dominance of the selling power. After breaching the 50-day SMA as well as the middle line of a rising channel, TASI continued to decline towards the lower boundary of the channel, which coincides with the 50% Fibonacci retracement level of the last uptrend and the 200-day SMA in the range of 10,980 – 10,930. Besides, the RSI indicator reflects the index's weakness as it still heading down in the bearish territory. TASI has immediate support at around the level of 11,170. If breached, the index would be expected to meet the next level of support near 11,100 followed by 10,930. On the other hand, immediate resistance is seen at around 11,350. If penetrated, the next resistance is expected to lay near 11,460 followed by 11,570. As selling pressure still dominating the scene, traders are advised to keep an eye on the critical support level of the 38.2% Fibonacci retracement of the prior uptrend near 11,170 where a possible intervening upside rebound may start.

Key price levels

S3	S2	S1	Pivot	R1	R2	R3
10,930	11,100	11,170	11,350	11,460	11,570	11,670

TASI daily chart



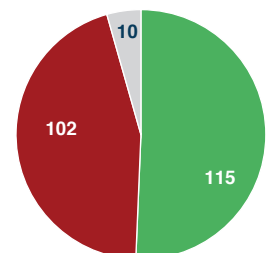
Source: Tradingview, Aljazira Capital

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
No stocks recommendations due to market volatility							

* As of 08th August 2023

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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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