



## Major Economic News

- The value of Saudi Arabia's real estate transactions declined 16.0% Y/Y or SAR 36.2bn to nearly SAR 184.42bn over the year starting from July 20, 2022 (1444 Hijri year). This is the first decline in the value of real estate transactions in 4 years. The number of real estate transactions over the 12-month period reached around 175,900. Meanwhile, the total real estate units sold stood at 182,000. (Source: Argam)
- The Ministry of Industry and Mineral Resources issued 32 new mining licenses in June 2023, with exploration and building materials quarry licenses reaching 17 and 11. (Source: Argam)

## Major Corporate News

- Al Moammar Information Systems Co. announced the renewal and amendment of a Sharia-compliant credit facilities agreement with Saudi Awwal Bank with a financing value of SAR 270.0mn. The agreement is aimed at financing new projects and issuing letters of credit and guarantee. (Source: Tadawul)
- Jazan Energy and Development Co. canceled a partnership and development agreement with Salman Abdullah bin Saedan Real Estate Group to develop its residential project in Jazan. (Source: Tadawul)

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

Company	Q2-23	Q2-22	Y/Y %	Q1-23	Q/Q %
SISCO	21.2	3.1	583.9	19.4	9.3
Raydan Food Co.	4.3	-17.2	NM	-3.3	NM
SAPTCO	58.5	-0.5	NM	-47.4	NM
A.OTHAIM MARKET	139.4	50.0	178.6	120.0	16.2
ACWA POWER Co.	414.4	389.9	6.3	269.7	53.6
Riyadh Cables	126.9	68.9	84.3	124.9	1.6
SPCC	19.0	61.0	-68.9	49.0	-61.2
Sinad Holding Co.	-23.6	-20.3	NM	-21.5	NM

## Market Analysis

- The Saudi Stock Exchange increased 0.4% to 11,286.2. The value traded stood at SAR 5.7bn (down 11.3% over previous day), while the advance-decline ratio stood at 145/68. The parallel market index increased 0.7% to 23,702.5 points. The value traded stood at SAR 36.5mn (down 15.9% over previous day). Most sectors in the main market ended in green. Transportation and Materials (up 1.5% and 1.3%, respectively) advanced the most; Food & Beverages & Software & Services (down 3.3% and 1.9%, respectively) declined the most.

## Top Gainers

Company	Price	Change%
GULF UNION ALAHLIA	13.48	10.0
NADEC	48.60	7.3
APC	65.90	7.2
ALUJAIN	48.40	6.6
ALBAHA	0.17	6.3

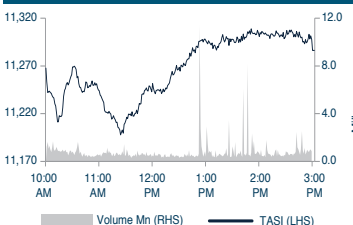
## Top Losers

Company	Price	Change%
SAVOLA GROUP	36.65	-7.5
FITAIHI GROUP	3.53	-4.9
MOUWASAT	105.00	-4.6
GULF GENERAL	8.24	-3.6
ALYAMAMAH STEEL	24.36	-3.1

## Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	11,286	11,310	11,194	0.4	7.7
NomuC	23,702	23,802	23,441	0.7	22.1

## TASI movement during session



## TASI Ratios

P/E* (x)	22.68
Price-to-Book (x)	2.25
Dividend Yield (%)	2.68
Return on Equity (%)	22.21

\*Source: Argam (Excluding Aramco)

Index	Close	Daily Change%	YTD %	PE (TTM)
Energy	6,209	0.3	14.4	14.1
Materials	6,411	1.3	1.9	21.1
Capital Goods	7,346	0.6	40.6	20.9
Commercial Service	4,682	-0.6	36.2	35.7
Transportation	5,891	1.5	29.7	High
Consumer Durables	5,173	-0.5	22.4	Neg
Consumer Services	5,146	0.5	39.4	48.8
Media	23,140	0.9	7.6	24.9
Retailing	7,972	1.2	11.1	22.9
Food & Staples	10,196	-0.6	19.4	20.7
Food & Beverages	5,770	-3.3	24.4	32.7
Healthcare	11,046	-1.4	21.2	48.9
Pharma & Bio Tech	5,007	-1.2	74.2	Neg
Banks	11,022	0.6	-4.5	13.8
Diversified Financial	6,651	-0.2	4.6	31.5
Insurance	7,574	0.9	42.4	35.6
Telecom	7,429	0.6	16.3	16.5
Utilities	8,051	0.4	12.2	14.5
REITs	3,760	0.2	-5.4	31.3
Real Estate	3,357	0.1	34.3	High
Software & Services	61,285	-1.9	70.8	43.9

## Average Index Value

Average days 5	Average days 10	Average days 20	Average value traded for the month (bn)
11,306	11,497	11,640	5.5

## Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	22.2	906.07	1,557.09
Previous week	27.3	1,064.20	1,833.99

## Top Weighted Companies

Company	Price	Change%
Saudi Aramco	33.15	0.3
Al Rajhi	72.10	1.4
SNB	35.65	-0.4
SABIC	86.10	2.4
STC	40.55	0.9



## International Market News

- According to EIA, oil inventories in the US rose 5.9mn barrels (prior: down 17.0mn) to 445.6mn in the week ended August 04. Gasoline inventories decreased 2.7mn barrels (prior: up 1.5mn) to 216.4mn, while distillate inventories fell 1.7mn barrels (prior: down 0.8mn) to 115.4mn. (Source: EIA, Econoday)
- The average US 30-year mortgage rate jumped to the second-highest rate since 2001, as interest rates reacted sharply to a downgrading of US government debt. The average 30-year mortgage rate rose to 7.09%. (Source: Investing.com)
- Producer prices in Japan rose 0.1% M/M in July (consensus: an increase of 0.2%) following the upwardly revised 0.1% decline in June. On a Y/Y basis, producer prices grew 3.6% (consensus: an increase of 3.5%), down from the upwardly revised 4.3% rise in the previous month. (Source: RTT News)
- The M3 money supply in Japan rose 1.9% Y/Y to JPY 1,594.6tn, easing from 2.0% increase in the previous month. The M2 money supply was up 2.4% Y/Y in July. (Source: RTT News).
- Oil prices increased 1.6% to the highest level since January, driven by US fuel demand and tighter supply.
- Gold prices decreased 0.6%, as investors remained cautious ahead of the US inflation data that might decide the US Federal Reserve's next move on the interest rates.

## Forex / Currency

Currency / USD	Close	Daily Change%	MTD %	YTD %
Dollar Index	102.49	0.0	0.6	-1.0
Euro	1.10	0.2	-0.2	2.5
Japanese Yen	143.73	0.2	1.0	9.6
Sterling Pound	1.27	-0.2	-0.9	5.3
Chinese Yuan	7.23	-0.1	1.2	4.4
Indian Rupee	82.82	0.0	0.7	0.1
UAE Dirham	3.67	0.0	0.0	0.0
Qatari Rial	3.65	0.0	0.0	-0.6
Kuwaiti Dinar	0.31	0.0	0.1	0.5
Omani Rial	0.39	0.0	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
10 <sup>th</sup> Aug	ACC	Eligibility for Cash Dividend
10 <sup>th</sup> Aug	ARDCO	Eligibility for Cash Dividend
10 <sup>th</sup> Aug	Catering	Eligibility for Cash Dividend
10 <sup>th</sup> Aug	SULAIMAN ALHABIB	Eligibility for Cash Dividend
10 <sup>th</sup> Aug	Jamjoom Pharma	Conference call with Analysts
10 <sup>th</sup> Aug	NAHDI	Eligibility for Cash Dividend

\*EGM: Extra Ordinary Meeting

\*OGM: Ordinary General Meeting

## Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	4,071	-0.2	0.3	22.3	9.3
Abu Dhabi (ADX)	9,953	-0.4	1.7	-3.1	33.1
Kuwait (KSE)	7,916	-0.4	-1.8	-2.5	17.9
Qatar (QE)	10,716	0.3	-2.2	0.3	13.4
Oman (MSM)	4,774	0.3	0.0	-1.7	13.1
Bahrain (BSE)	1,974	-0.1	-0.9	4.2	8.0
Egypt (EGX30)	17,764	0.1	1.0	21.7	9.5

## International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	35,123	-0.5	-1.2	6.0	21.0
Nasdaq	15,102	-1.1	-4.2	38.0	31.6
S&P 500	4,468	-0.7	-2.6	16.4	21.8
FTSE 100	7,587	0.8	-1.5	1.8	10.5
Germany DAX 30	15,853	0.5	-3.6	13.9	13.0
France CAC 40	7,322	0.7	-2.3	13.1	12.6
Japan Nikkei 225	32,204	-0.5	-2.9	23.4	25.4
Russia MOEX	3,100	0.5	0.8	43.9	2.4
Hong Kong Hang Seng	19,246	0.3	-4.1	-2.7	9.9
South Korea KOSPI	2,605	1.2	-1.0	16.5	17.7
China Shanghai Composite	3,244	-0.5	-1.4	5.0	14.4
Australia ASX 200	7,338	0.4	-1.0	4.3	15.0
India Sensex	65,996	0.2	-0.8	8.5	23.0
MSCI EM	1,008	0.5	-3.7	5.4	13.2
MSCI World	2,976	-0.4	-2.9	14.4	19.2

## Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	91.88	2.8	3.5	9.1
Brent Crude (\$/bbl)	87.55	1.6	2.3	1.9
Texas crude (\$/bbl)	84.40	1.8	3.2	5.2
Natural Gas (\$/mmbtu)	2.96	6.6	12.3	-28.0
Gold (\$/oz)	1,914.46	-0.6	-2.6	5.0
Silver (\$/oz)	22.66	-0.5	-8.4	-5.4
Steel (\$/ton)	801.00	-0.1	-2.9	7.7
Iron Ore (CNY/MT)	885.50	0.4	-1.3	3.3
Wheat (\$/bu)	661.75	-2.9	-0.6	-18.3
Corn (\$/bu)	494.25	-0.9	-3.7	-19.1
Sugar (\$/lb)	23.71	1.1	-1.7	33.1
SMP* (EUR/MT)	2,273.00	0.5	-3.9	-18.1

\*SMP: Skimmed Milk Powder

## Interbank Rates

Region	Rate*	Daily Change(bps)	MTD (bps)	YTD (bps)
KSA (SAIBOR 1M)	5.71	-2.7	-0.7	97.8
KSA (SAIBOR 3M)	6.08	-0.3	6.8	73.6
KSA (SAIBOR 6M)	6.00	-1.7	-2.2	39.9
KSA (SAIBOR 12M)	6.04	-0.3	-0.3	16.7
USA (SOFR 3M)	5.37	0.2	0.1	77.9
UAE (EIBOR 3M)	5.39	2.8	13.0	108.3

Data Sources: Tadawul, Bloomberg, Reuters  
Closes as of August 9, 2023

Technical observations	
Index	TASI
Ticker	SASEIDX Index
Last Close	11,286
<b>Short-term view</b>	Profit Booking
52 weeks high/low	13,949 – 9,931

Market data	
Exchange Market Cap. (SAR bn)	11,053.2
Value (SAR mn)	6,380.6
Volume (mn)	219.9
Number of Transactions	386,910
Market Breadth	145 : 68

Key statistics	
1D return %	0.37%
MTD return %	-3.47%
QTD return	-1.51%
YTD return	7.71%
ADT vol. 3M* (mn)	245.7
ADT val. 3M (SARmn)	6,270.8

\*ADT stands for Average Daily Traded

## TASI market commentary

- TASI witnessed a rise on Wednesday which was led by index heavyweight Materials (1.30% D/D) and Telecommunication services (0.64% D/D) sectors. At close, the Saudi market ended the day with a change of 0.37% at 11,286. In terms of activity, total volumes and value traded were ~246mn and ~SAR 5.7bn, respectively. The advance-decline ratio came in at 145/68.

## Technical outlook

- TASI gained 42 points to close near 11,286. The index broke its longest losing streak of the year, which lasted for 9 consecutive sessions and resulted in an almost 5.5% drop from the year's peak. TASI formed a Hammer candlestick near the critical support level of the 38.2% Fibonacci retracement of the last uptrend. A following bullish candle is still needed to confirm a possible intervening upside rebound. Moreover, breaching the 50-day SMA and the middle line of a rising channel suggests just a possible short-term upside rebound before resuming the decline. Additionally, the RSI indicator started pointing up near its oversold zone. TASI has immediate resistance at around the level of 11,350. If penetrated, the next resistance is expected to lay near 11,460 followed by 11,570. On the other hand, immediate support is seen at around 11,170. If breached, the index would be expected to meet the next level of support near 11,100 followed by 10,930. Traders are advised to closely monitor current levels as the index started to show initial positive signs right by the critical support zone of 11,190 - 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



Source: Bloomberg, Argaam

## TASI daily chart



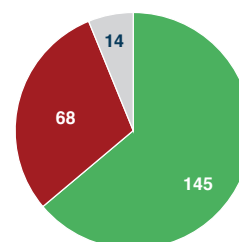
Source: Tradingview, Aljazira Capital

## 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
4015	Jamjoom Pharmaceuticals Factory Co.	115.80	115.80 – 114.60	118.00	121.40	4.84%	112.60
4050	Saudi Automotive Services Co.	60.40	60.40 – 59.80	61.40	64.20	6.29%	58.30

\* As of 09<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

**Jamjoom Pharma** penetrated the upper boundary of a declining channel along with forming a morning star candlesticks pattern at a significant support level. Moreover, the RSI indicator is showing a bullish signal confirming the price action. We recommend buying the stock in a range of SAR115.80 – 114.60, for a target of SAR118.00 followed by SAR121.40, with a stop loss below SAR112.60 on a closing basis.

## Jamjoom Pharmaceuticals Factory Co. (Jamjoom Pharma)



Source: Tradingview, AlJazira Capital

## Technical observations

**SASCO** penetrated the upper boundary of a bullish wedge price pattern as well as its 10-day SMAs. Moreover, the RSI indicator is showing a bullish signal confirming the price action. We recommend buying the stock in a range of SAR60.40 – 59.80, for a target of SAR61.40 followed by SAR64.20, with a stop loss below SAR58.30 on a closing basis.

## Saudi Automotive Services Co. (SASCO)



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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