



Major Economic News

- MSCI Inc. announced the results of its periodic review, as it added The Power and Water Utility Company for Jubail and Yanbu (MARAFIQ) to MSCI Saudi Arabia Standard Index, while The Company for Cooperative Insurance (Tawuniya) was upgraded from MSCI Saudi Arabia Small Cap Index. (Source: Argaam)

Major Corporate News

- Raydan Food Co. currently runs 18 restaurants, four of which opened earlier this year and the company will open 5 more restaurants in FY24. The company noted that no branches were closed this year, adding that four were closed in FY21 and FY22 as their locations were in removal areas. (Source: Argaam)

Earnings update (Net Profit) (SAR mn)

Company	Q2-23	Q2-22	Y/Y %	Q1-23	Q/Q %
Ethad Atheeb	52.6	-1.7	NM	29.5	78.2
Al Jouf Cement	20.1	-1.7	NM	23.5	-14.2
Malath Insurance	10.4	-15.6	NM	46.4	-77.5
SGS	49.9	-66.9	NM	40.0	24.7
TAIBA	27.6	34.5	-20.1	62.1	-55.6
Alamar Foods Co.	17.2	23.6	-27.2	13.9	24.2
Arabian Pipes Co.	33.2	-4.2	NM	13.3	149.6
Fitaihi Holding Group	0.9	9.2	-90.7	5.6	-84.9
Methanol Chemicals Co.	-10.2	92.2	NM	-48.8	NM
Arabian Contracting	85.0	62.8	35.4	90.8	-6.4
Theeb Rent a Car	29.9	43.1	-30.5	42.3	-29.3

Market Analysis

- The Saudi Stock Exchange increased 1.2% to 11,424.1 on Thursday. The value traded stood at SAR 6.2bn (up 10.3% over previous day), while the advance-decline ratio stood at 133/76. The parallel market index decreased 0.5% to 23,580.7 points. The value traded stood at SAR 45.3mn (up 24.0% over previous day). Most sectors in the main market ended in the green. Food & Beverages and Energy (up 3.2% and 2.5%, respectively) advanced the most; REITs and Healthcare (down 0.7% each) led the laggards.

Top Gainers

Company	Price	Change%
ALMARAI	65.00	6.2
ALARABIA	192.00	5.5
EIC	38.00	4.5
2P	24.22	4.4
ATHEEB TELECOM	76.70	4.4

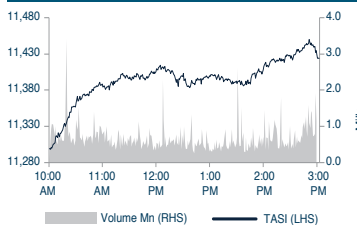
Top Losers

Company	Price	Change%
ALBAHA	0.16	-5.9
UCA	9.96	-5.5
JADWA REIT SAUDI	12.66	-3.1
MEDGULF	14.46	-2.8
CARE	115.80	-2.7

Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	11,424	11,451	11,283	1.2	9.0
NomuC	23,581	23,844	23,520	(0.5)	21.4

TASI movement during session



TASI Ratios

P/E* (x)	22.9
Price-to-Book (x)	2.3
Dividend Yield (%)	2.7
Return on Equity (%)	22.2

*Source: Argaam (Excluding Aramco)

Index	Close	Daily Change%	YTD %	PE (TTM)
Energy	6,363	2.5	17.2	14.4
Materials	6,460	0.8	2.7	21.3
Capital Goods	7,426	1.1	42.1	21.0
Commercial Service	4,697	0.3	36.7	35.8
Transportation	5,980	1.5	31.7	High
Consumer Durables	5,191	0.4	22.9	Neg
Consumer Services	5,205	1.2	41.0	49.6
Media	23,283	0.6	8.3	25.2
Retailing	8,022	0.6	11.8	23.1
Food & Staples	10,254	0.6	20.1	20.8
Food & Beverages	5,953	3.2	28.3	33.9
Healthcare	10,973	(0.7)	20.4	48.5
Pharma & Bio Tech	5,013	0.1	74.5	Neg
Banks	11,110	0.8	(3.8)	13.9
Diversified Financial	6,616	(0.5)	4.0	31.4
Insurance	7,655	1.1	44.0	36.1
Telecom	7,535	1.4	17.9	16.8
Utilities	8,228	2.2	14.7	14.8
REITs	3,734	(0.7)	(6.1)	31.1
Real Estate	3,408	1.5	36.3	High
Software & Services	61,444	0.3	71.2	44.0

Average Index Value

Average days 5	Average days 10	Average days 20	Average value traded for the month (bn)
11,316	11,455	11,626	5.63

Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	-	-	-
Previous week	28.5	1,129.0	1,953.9

Top Weighted Companies

Company	Price	Change%
Saudi Aramco	34.00	2.6
Al Rajhi	72.00	-0.1
SNB	36.00	1.0
SABIC	87.30	1.4
STC	41.40	2.1



International Market News

- According to Baker Hughes, North America's rig count decreased to 844 in the week ended August 11 from 847 earlier. The rig count fell to 654 in the US from 659 earlier, while declined to 17 in the Gulf of Mexico from 18. The rig count in Canada increased to 190 from 188 earlier. (Source: Baker Hughes)
- US CPI rose 3.2% Y/Y in July (consensus: an increase of 3.3%) compared to 3.0% increase July. The CPI grew 4.7% Y/Y in July, slower than 4.8% in June. On seasonally adjusted M/M basis, CPI was up 0.2% (Source: CNBC)
- US initial jobless claims increased to 248,000 (consensus: 230,000) in the week ended August 05, representing a rise of 21,000 from the previous week's unrevised level of 227,000. (Source: RTT News)
- UK's GDP rose 0.4% Y/Y in Q2-23 (consensus: a growth of 0.2%). On a Q/Q basis, GDP expanded 0.2%, following a 0.1% rise in the previous quarter. The growth in Q2-23 was driven by an increase in household spending and government consumption. (Source: RTT News)
- Oil prices gained 0.5% on Friday, recording an increase for seventh consecutive week, driven by an optimistic crude oil demand forecast from IEA.
- Gold prices inched 0.1%, as latest US inflation data sent generated mixed sentiments across investors.

Forex / Currency

Currency / USD	Close	Daily Change%	MTD %	YTD %
Dollar Index	102.84	0.3	1.0	-0.7
Euro	1.09	-0.3	-0.4	2.3
Japanese Yen	144.96	0.1	1.9	10.6
Sterling Pound	1.27	0.2	-1.1	5.1
Chinese Yuan	7.26	0.2	1.6	4.9
Indian Rupee	82.84	0.2	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	0.38	-0.0	-0.0	0.0
Bahraini Dinar	0.38	0.0	0.0	-0.0
Egyptian Pound	30.90	-0.0	-0.1	24.8

Corporate Calendar

Date	Company	Event
13 th Aug	SAB	Eligibility for Cash Dividend
13 th Aug	SNB	Cash Dividend Distribution
13 th Aug	Marafiq	Eligibility for Cash Dividend
13 th Aug	CENOMI CENTERS	Cash Dividend Distribution
13 th Aug	ELM	Eligibility for Cash Dividend
13 th Aug	Ds Rent	Start of offering

*EGM: Extra Ordinary Meeting

*OGM: Ordinary General Meeting

Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	4,064	0.4	0.1	22.1	9.4
Abu Dhabi (ADX)	9,880	-0.2	0.9	-3.8	32.9
Kuwait (KSE)	7,861	-0.7	-2.5	-3.1	18.2
Qatar (QE)	10,736	0.2	-2.1	0.5	13.5
Oman (MSM)	4,757	-0.4	-0.4	-2.1	11.6
Bahrain (BSE)	1,972	-0.1	-1.0	4.1	7.7
Egypt (EGX30)	17,710	-0.3	0.6	21.3	9.4

International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	35,281	0.3	-0.8	6.4	21.1
Nasdaq	15,028	-0.7	-4.6	37.4	31.5
S&P 500	4,464	-0.1	-2.7	16.3	21.8
FTSE 100	7,524	-1.2	-2.3	1.0	10.9
Germany DAX 30	15,832	-1.0	-3.7	13.7	12.5
France CAC 40	7,340	-1.3	-2.1	13.4	12.7
Japan Nikkei 225	32,474	0.0	-2.1	24.4	25.9
Russia MOEX	3,156	0.2	2.7	46.5	2.4
Hong Kong Hang Seng	19,075	-0.9	-5.0	-3.6	9.8
South Korea KOSPI	2,591	-0.4	-1.6	15.9	17.7
China Shanghai Composite	3,189	-2.0	-3.1	3.2	14.2
Australia ASX 200	7,340	-0.2	-0.9	4.3	15.0
India Sensex	65,323	-0.6	-1.8	7.4	22.8
MSCI EM	998	-1.1	-4.7	4.3	13.3
MSCI World	2,973	-0.4	-3.0	14.2	20.3

Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	90.63	-1.8	2.0	7.6
Brent Crude (\$/bbl)	86.81	0.5	1.5	1.0
Texas crude (\$/bbl)	83.19	0.4	1.7	3.7
Natural Gas (\$/mmbtu)	2.77	0.3	5.2	-32.6
Gold (\$/oz)	1,913.76	0.1	-2.6	4.9
Silver (\$/oz)	22.69	-0.1	-8.3	-5.3
Steel (\$/ton)	806.00	0.0	-2.3	8.3
Iron Ore (CNY/MT)	885.50	0.0	-1.3	3.3
Wheat (\$/bu)	653.75	-1.5	-1.8	-19.2
Corn (\$/bu)	487.25	-1.8	-5.0	-20.2
Sugar (\$/lb)	24.33	1.6	0.9	36.5
SMP* (EUR/MT)	2,279.00	-0.2	-3.6	-17.9

*SMP: Skimmed Milk Powder

Interbank Rates

Region	Rate*	Daily Change(bps)	MTD (bps)	YTD (bps)
KSA (SAIBOR 1M)	5.74	2.9	2.2	100.7
KSA (SAIBOR 3M)	6.10	2.8	9.6	76.4
KSA (SAIBOR 6M)	6.03	3.8	1.6	43.7
KSA (SAIBOR 12M)	6.02	-2.1	-2.3	14.6
USA (SOFR 3M)	5.36	-0.5	-0.1	77.7
UAE (EIBOR 3M)	5.38	5.7	12.0	107.3

Data Sources: Tadawul, Bloomberg, Reuters
Closes as of August 11, 2023

Technical observations	
Index	TASI
Ticker	SASEIDX Index
Last Close	11,424
Short-term view	Cautious Buy
52 weeks high/low	13,949 – 9,931

Market data	
Exchange Market Cap. (SAR bn)	11,289.0
Value (SAR mn)	6,238.2
Volume (mn)	216.0
Number of Transactions	396,815
Market Breadth	133 : 76

Key statistics	
1D return %	1.22%
MTD return %	-2.29%
QTD return	-0.30%
YTD return	9.02%
ADT vol. 3M* (mn)	245.6
ADT val. 3M (SARmn)	6,272.0

*ADT stands for Average Daily Traded

TASI market commentary

- TASI witnessed a rise on Thursday which was led by index heavyweight Energy (2.49% D/D) and Telecommunication services (1.43% D/D) sectors. At close, the Saudi market ended the day with a change of 1.22% at 11,424. In terms of activity, total volumes and value traded were ~216mn and ~SAR 6.2bn, respectively. The advance-decline ratio came in at 133/76.

Technical outlook

- TASI gained 138 points to close near 11,424. As expected, the index experienced an upside rebound after displaying positive signs right by the critical support zone of 11,190 - 11,170 near the 100-day SMA. Moreover, TASI is currently moving in a speculative rebound heading to test the significant resistance zone of the 50 and 20 SMAs. Additionally, the RSI indicator is heading up toward the level of 50. TASI has immediate resistance at around the level of 11,480 followed by 11,550. If penetrated, the next resistance is expected to lay near 11,650. On the other hand, immediate support is seen at around 11,350. If breached, the index would be expected to meet the next level of support near 11,170 followed by 11,100. Traders are advised to cautiously buy and closely monitor the significant resistance zone of 11,550 - 11,650 where a possible selling pressure may reappear as the index is still traded below its 50&20 SMAs.

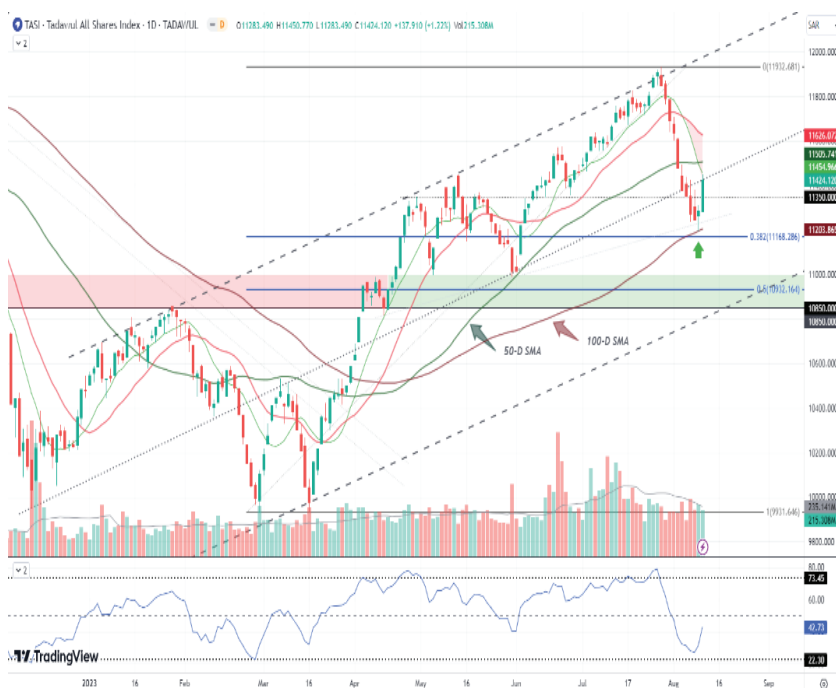
Key price levels

S3	S2	S1	Pivot	R1	R2	R3
10,930	11,100	11,170	11,350	11,480	11,550	11,650



Source: Bloomberg, Argaam

TASI daily chart



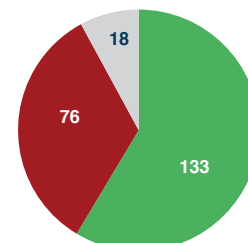
Source: Tradingview, Aljazira Capital

Our view



Market depth

Unchanged
Up
Down





SAUDI MARKET - TOP PICKS FOR THE DAY

Code	Company	Close*	Buy range	Target	Stop loss
2281	Tanmiah Food Company	115.80	115.80 - 115.50	117.00	114.60
4031	Saudi Ground Services Co.	33.50	33.50 - 33.40	33.85	33.15
1201	Takween Advanced Industries Co.	16.20	16.20 - 16.16	16.36	16.04
1322	Al Masane Al Kobra Mining Co.	54.80	54.80 - 54.70	55.30	54.20
6070	Al-Jouf Agricultural Development Co.	49.05	49.05 - 48.95	49.55	48.55
6002	Herfy Food Services Co.	34.90	34.90 - 34.80	35.25	34.55

* As of 10th Aug 2023

* Note – Stop loss is based on an intraday basis

CHARTS OF THE DAY

Technical observations

TANMIAH bounced off a significant support level near prior troughs as well as a declining trendline. Moreover, all the technical indicators show bullish structure.

Tanmiah Food Company (TANMIAH)



Source: Tradingview, AlJazira Capital

Technical observations

SGS penetrated the level of the prior peak as well as the 20-day SMA. Moreover, all the technical indicators show bullish structure.

Saudi Ground Services Co. (SGS)



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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