



Major Economic News

- The Council of Economic and Development Affairs acclaimed the continued growth in the Saudi economy and the decline in inflation to 2.7%. (Source: Argaam)
- GACA issued an index for the classification of air transport service providers and airports based on the number of complaints filed by travelers to the authority in July. GACA stated that the total number of complaints submitted by passengers on air carriers in July amounted to 1,873. (Source: Argaam)
- The General Authority for Competition (GAC) issued 16 decisions on applications for economic concentration in July. (Source: Argaam)

Major Corporate News

- Yansab announced a temporary shutdown at its plants starting 14 August 2023 due to a technical glitch. The shutdown is expected to last another 11 days. The expected financial impact of the shutdown is estimated at SAR 150mn on Q3 and Q4-23 financials. (Source: Tadawul)
- Gulf Insurance Group "GIG" announced the receipt of approval by Saudi Central Bank to add protection and saving insurance to the company's license. With this, the company becomes licensed to engage in the following activities- Reinsurance, General Insurance, Health Insurance, Protection and Savings Insurance. (Source: Tadawul)
- Sumou Real Estate Company announces the publication of the Transition Document related to the process of transferring the company's shares from the Parallel Market to the Main Market, with a capital of SAR 375mn and 37.5mn shares. (Source: Tadawul)

Market Analysis

- The Saudi Stock Exchange declined 0.8% to 11,408.5 The value traded stood at SAR 5.0bn (up 35.4% over previous day), while the advance-decline ratio stood at 39/179. The parallel market index declined 0.4% to 23,520.1 points. The value traded stood at SAR 30.4mn (down 6.6% over previous day). Most sectors in the main market ended in the red. Pharma and Transportation (down 4.2% and 1.6%, respectively) declined the most; Diversified Financials and Capital goods (up 1.4% and 0.7%, respectively) advanced the most.

Top Gainers

Company	Price	Change%
RED SEA	24.40	8.0
CARE	123.00	5.0
TADAWUL GROUP	189.20	3.1
RIYADH CABLES	70.00	2.6
NADEC	50.20	2.5

Top Losers

Company	Price	Change%
CENOMI RETAIL	18.90	-6.0
ALBAHA	0.16	-5.9
THIMAR	23.60	-5.6
MALATH INSURANCE	19.42	-5.0
GIG	30.55	-4.4

Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	11,408	11,537	11,408	-0.8	8.9
NomuC	23,520	23,631	23,395	-0.4	21.1

TASI movement during session



TASI Ratios

P/E* (x)	23.5
Price-to-Book (x)	2.27
Dividend Yield (%)	2.66
Return on Equity (%)	22.07

*Source: Argaam (Excluding Aramco)

Index	Close	Daily Change%	YTD %	PE (TTM)
Energy	6,449	-1.6	18.8	16.7
Materials	6,411	-0.5	1.9	40.7
Capital Goods	7,574	0.7	44.9	21.4
Commercial Service	4,525	-1.1	31.7	27.9
Transportation	5,550	-1.6	22.2	High
Consumer Durables	5,050	-0.9	19.5	Neg
Consumer Services	5,085	-0.9	37.8	40.0
Media	24,186	0.6	12.5	27.2
Retailing	7,832	-1.3	9.2	22.6
Food & Staples	10,187	0.1	19.3	20.2
Food & Beverages	6,073	0.5	30.9	32.6
Healthcare	10,964	-0.8	20.3	46.6
Pharma & Bio Tech	5,053	-4.2	75.8	High
Banks	11,059	-0.7	-4.2	13.4
Diversified Financial	6,787	1.4	6.7	33.7
Insurance	8,089	-1.0	52.1	25.1
Telecom	7,414	-1.1	16.0	16.0
Utilities	8,208	-1.0	14.4	16.3
REITs	3,656	-1.0	-8.0	High
Real Estate	3,299	-0.8	31.9	High
Software & Services	62,593	-0.2	74.4	40.3

Average Index Value

Average days 5	Average days 10	Average days 20	Average value traded for the month (bn)
11,433	11,416	11,520	5.4

Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	8.7	364.87	644.85
Previous week	27.3	1,088.93	1,875.67

Top Weighted Companies

Company	Price	Change%
Saudi Aramco	34.45	-1.6
Al Rajhi	72.50	-0.8
SNB	35.75	-0.4
SABIC	87.30	-0.8
STC	40.20	-1.4



International Market News

- S&P Global reduced credit ratings and revised its outlook for several US banks, following a similar decision by Moody's, and warning that funding problems and lower profitability will likely put the sector's credit strength to the test. (Source: Reuters)
- China's fiscal revenue rose 11.5% in the first seven months of FY23 from the same period a year earlier but was slower than the 13.3% rise posted for the first six months, amid signs the economy is losing momentum. Fiscal revenue totaled CNY 13.9tn from January-July, while fiscal expenditure grew 3.3% to CNY 15.2tn. (Source: Investing)
- Rice prices rose to their highest level in over 12 years because of India's rice export ban and bad weather conditions, which reduced the output and availability of Asia's primary staple food. A confluence of factors is raising concerns that shortage of rice supplies could result in a broad increase in the prices of other food commodities in Asia. (Source: CNBC)
- Oil prices lowered 0.4% as fading hopes for Chinese demand and concerns over US Federal Reserve's next action overpowered expectations of the tighter supply.
- Gold prices inched up 0.3% as investors look ahead to central bankers' meeting this week for clues on interest rates.

Forex / Currency

Currency / USD	Close	Daily Change%	MTD %	YTD %
Dollar Index	103.3	-0.1	1.4	-0.2
Euro	1.1	0.2	-0.9	1.8
Japanese Yen	146.2	0.6	2.8	11.5
Sterling Pound	1.3	0.2	-0.6	5.6
Chinese Yuan	7.3	-0.2	2.0	5.3
Indian Rupee	83.1	0.0	1.0	0.5
UAE Dirham	3.7	0.0	0.0	0.0
Qatari Rial	3.6	0.0	0.0	-0.6
Kuwaiti Dinar	0.3	0.0	0.3	0.7
Omani Rial	0.4	0.0	0.0	0.0
Bahraini Dinar	0.4	0.0	0.0	0.0
Egyptian Pound	30.9	0.0	0.0	24.9

Corporate Calendar

Date	Company	Event
22 nd Aug	SADAFCO	EGM
22 nd Aug	ALMUNAJEM	Cash Dividend Distribution
22 nd Aug	Ds Rent	Final allocation
23 rd Aug	STC	Cash Dividend Distribution
23 rd Aug	Alinma	Cash Dividend Distribution
23 rd Aug	A. Othaim Market	Conference call with analysts

*EGM: Extra Ordinary Meeting

*OGM: Ordinary General Meeting

Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	4,054	0.1	-0.1	21.8	9.3
Abu Dhabi (ADX)	9,776	-0.2	-0.1	-4.8	32.3
Kuwait (KSE)	7,700	-1.4	-4.5	-5.1	18.3
Qatar (QE)	10,460	-1.1	-4.6	-2.1	13.1
Oman (MSM)	4,775	0.0	-0.0	-1.7	13.1
Bahrain (BSE)	1,963	0.1	0.1	3.6	7.4
Egypt (EGX30)	17,920	-0.6	1.8	22.8	9.5

International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	34,464	-0.1	-3.1	4.0	20.7
Nasdaq	14,937	1.6	-5.2	36.5	31.5
S&P 500	4,400	0.7	-4.1	14.6	21.5
FTSE 100	7,258	-0.1	-5.7	-2.6	10.5
Germany DAX 30	15,603	0.2	-5.1	12.1	12.3
France CAC 40	7,198	0.5	-4.0	11.2	12.4
Japan Nikkei 225	31,566	0.4	-4.8	21.0	25.1
Russia MOEX	3,140	0.9	2.2	45.8	2.4
Hong Kong Hang Seng	17,623	-1.8	-12.2	-10.9	9.0
South Korea KOSPI	2,509	0.2	-4.7	12.2	17.8
China Shanghai Composite	3,093	-1.2	-6.0	0.1	13.8
Australia ASX 200	7,115	-0.5	-4.0	1.1	14.5
India Sensex	65,216	0.4	-2.0	7.2	22.8
MSCI EM	960	-0.5	-8.3	0.4	13.7
MSCI World	2,911	0.4	-5.0	11.8	19.8

Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	90.3	2.0	1.7	7.2
Brent Crude (\$/bbl)	84.5	-0.4	-1.3	-1.7
Texas crude (\$/bbl)	80.7	-0.7	-1.3	0.6
Natural Gas (\$/mmbtu)	2.6	3.2	-0.1	-36.0
Gold (\$/oz)	1,894.9	0.3	-3.6	3.9
Silver (\$/oz)	23.3	2.4	-5.8	-2.7
Steel (\$/ton)	807.0	0.0	-2.2	8.5
Iron Ore (CNY/MT)	863.0	0.8	-3.8	0.7
Wheat (\$/bu)	625.5	-2.1	-9.6	-23.7
Corn (\$/bu)	482.5	-2.1	-5.9	-21.0
Sugar (\$/lb)	23.4	-1.5	-2.9	31.3
SMP* (EUR/MT)	2,237.0	0.0	-5.4	-19.4

*SMP: Skimmed Milk Powder

Interbank Rates

Region	Rate*	Daily Change(bps)	MTD (bps)	YTD (bps)
KSA (SAIBOR 1M)	5.784	0.79	6.8	105.3
KSA (SAIBOR 3M)	6.105	-0.17	9.7	76.5
KSA (SAIBOR 6M)	6.066	-0.65	4.8	46.8
KSA (SAIBOR 12M)	6.082	0.25	4.2	21.2
USA (SOFR 3M)	5.377	-0.58	1.2	79.0
UAE (EIBOR 3M)	5.311	-0.26	4.8	100.1

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

Technical observations	
Index	TASI
Ticker	SASEIDX Index
Last Close	11,409
Short-term view	Cautious
52 weeks high/low	13,949 – 9,931

Market data	
Exchange Market Cap. (SAR bn)	11,392.6
Value (SAR mn)	5,015.1
Volume (mn)	213.7
Number of Transactions	366,321
Market Breadth	39 : 179

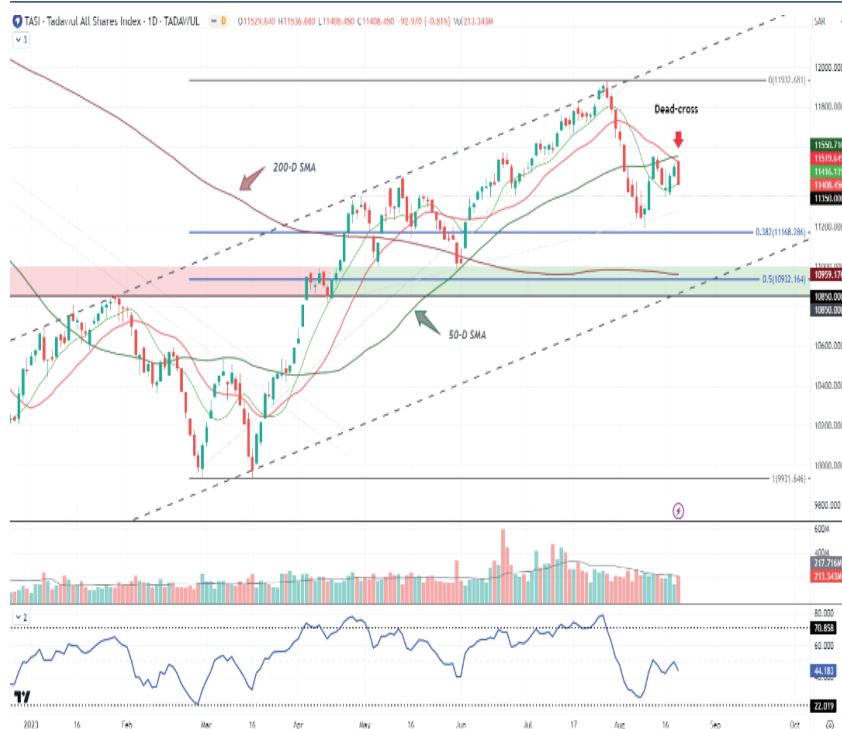
Key statistics	
1D return %	-0.81%
MTD return %	-2.43%
QTD return	-0.44%
YTD return	8.88%
ADT vol. 3M* (mn)	246.2
ADT val. 3M (SARmn)	6,171.7

*ADT stands for Average Daily Traded



Source: Bloomberg, Argaaam

TASI daily chart



Source: Tradingview, Aljazira Capital

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 21st Aug 2023

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TASI market commentary

- TASI witnessed a decline on Monday which was led by index heavyweights Energy (-1.56% D/D) and Telecommunications services (-1.13% D/D) sectors. At close, the Saudi market ended the day with a change of -0.81% at 11,409. In terms of activity, total volumes and value traded were ~214mn and ~SAR 5.0bn, respectively. The advance-decline ratio came in at 39/179.

Technical outlook

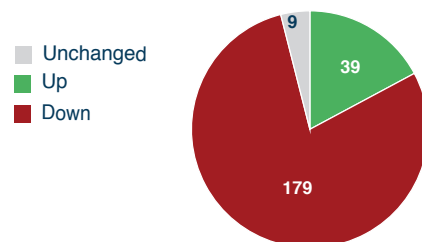
- TASI lost 93 points and closed near 11,409. Despite the powerful start with an upside opening gap, the profit-booking attitude started to resurface once it retested the 20-day SMA. The selling pressure forced the index to close near the low and developed a bearish engulfing candlesticks pattern which suggests witnessing a possible further profit-booking attitude. Moreover, the 20 & 50-day SMAs have shown a dead-cross which adds to the negative evidence. Furthermore, the RSI indicator started pointing downward after retesting the level of 50, implying a possible further decline in the index. TASI has immediate support at around the level of 11,350 followed by 11,170. If breached, the index would be expected to meet the next level of support near 11,100. On the other hand, immediate resistance is seen at around 11,550 followed by 11,650. If penetrated, the next resistance is expected to lay near 11,775. Traders are advised to closely monitor the critical support level of 11,350 where a close below it would signal another possible further selling pressure. Besides, the profit-booking sentiment may persist as long as the index is maintained trading below the significant resistance zone of 11,550 – 11,650.

Key price levels						
S3	S2	S1	Pivot	R1	R2	R3
11,100	11,170	11,350	11,550	11,650	11,775	11,930

Our view



Market depth



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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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