



Major Economic News

- The number of micro, small and medium-sized enterprises (MSMEs) in Saudi Arabia increased to 1.23mn by the end of Q2-23, an increase of 3% M/M. MSMEs constituted around 99.7% of all companies in the Kingdom during Q2-23. (Source: Argaam)
- Saudi Arabia officially acceded to the United Nations Convention on Contracts for the International Sale of Goods (CISG), becoming the 96th state to join. (Source: Argaam)
- Non-institutional foreign investors increased their ownership in Tadawul-listed equities, excluding Saudi Aramco, from 10.73% to 10.84% (SAR 331.2bn) in the week ended 17 August 2023. (Source: Argaam)

Major Corporate News

- Arabian International Healthcare Holding Co. "TIBBIYAH", announced that its wholly owned subsidiary, Al Faisaliah Medical Systems Co. ("FMS"); signed a contract worth SAR 25.9mn with National United Procurement Company (NUPCO) for the purchase, supply and installation of medical devices. (Source: Tadawul)
- Clean Life Co. issued its prospectus to float 300,000 shares, or 20% of its SAR 15mn capital, on Nomu-Parallel Market. The share sale will run from 1-5th October 2023. (Source: Argaam)
- SRMG Ventures, the venture capital arm of SRMG, announced a USD 5mn investment in Anghami, the leading music and entertainment streaming platform in the MENA region. This marks a significant development in the region's growing music and audio industry. The investment underlines the company's unique and leading position in the developing music and audio segments. (Source: Argaam)

Market Analysis

- The Saudi Stock Exchange declined 0.3% to 11,378 The value traded stood at SAR 4.7bn (down 7.2% over previous day), while the advance-decline ratio stood at 89/127. The parallel market index declined 0.2% to 23,478.9 points. The value traded stood at SAR 33.9mn (up 11.5% over previous day). Most sectors in the main market ended in the red. Food & Beverages and Insurance (down 2.5% and 1.3%, respectively) declined the most; Software & services and Commercial service (up 2.2% and 1.0%, respectively) advanced the most.

Top Gainers

Company	Price	Change%
THIMAR	25.95	10.0
DWF	119.80	8.5
SOLUTIONS	349.20	4.9
ATHEEB TELECOM	93.60	3.4
CENOMI RETAIL	19.54	3.4

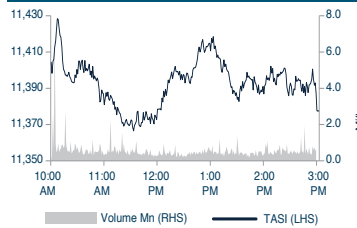
Top Losers

Company	Price	Change%
ALMARAI	64.70	-4.2
RED SEA	23.56	-3.4
SFICO	26.80	-2.9
ASTRA INDUSTRIAL	91.40	-2.8
BSFR	37.95	-2.7

Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	11,378	11,433	11,365	-0.3	8.6
NomuC	23,479	23,672	23,294	-0.2	20.9

TASI movement during session



TASI Ratios

P/E* (x)	23.44
Price-to-Book (x)	2.26
Dividend Yield (%)	2.67
Return on Equity (%)	22.07

*Source: Argaam (Excluding Aramco)

Index	Close	Daily Change%	YTD %	PE (TTM)
Energy	6,440	-0.1	18.7	16.6
Materials	6,382	-0.5	1.5	40.5
Capital Goods	7,540	-0.5	44.3	21.3
Commercial Service	4,568	1.0	32.9	28.3
Transportation	5,559	0.2	22.4	High
Consumer Durables	5,018	-0.6	18.8	neg
Consumer Services	5,110	0.5	38.5	40.0
Media	23,998	-0.8	11.6	27.0
Retailing	7,884	0.7	9.9	22.8
Food & Staples	10,123	-0.6	18.5	20.1
Food & Beverages	5,919	-2.5	27.6	31.7
Healthcare	10,872	-0.8	19.3	46.1
Pharma & Bio Tech	5,059	0.1	76.1	High
Banks	11,009	-0.4	-4.6	13.3
Diversified Financial	6,745	-0.6	6.0	33.5
Insurance	7,986	-1.3	50.2	24.8
Telecom	7,479	0.9	17.1	16.1
Utilities	8,253	0.5	15.0	16.3
REITs	3,646	-0.3	-8.3	High
Real Estate	3,311	0.4	32.4	High
Software & Services	63,942	2.2	78.2	41.4

Average Index Value

Average days 5	Average days 10	Average days 20	Average value traded for the month (bn)
11,426	11,429	11,494	5.4

Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	13.4	546.21	976.56
Previous week	27.3	1,088.93	1,875.67

Top Weighted Companies

Company	Price	Change%
Saudi Aramco	34.40	-0.2
Al Rajhi	72.70	0.3
SNB	35.50	-0.7
SABIC	88.00	0.8
STC	40.45	0.6



International Market News

- Existing home sales in the U.S. tumbled by much more than expected in the month of July. The existing home sales slumped by 2.2% to an annual rate of 4.07mn in July after plunging by 3.3% to an annual rate of 4.16mn in June. Economists had expected existing home sales to edge down to an annual rate of 4.15mn. (Source: RTT news)
- UK budget deficit was less than expected in July and the fifth largest on record for the month. Public sector net borrowing excluding public sector banks was GBP 4.3bn in July, which was GBP 3.4bn more Y/Y. However, this was lower than the economists' forecasts of a borrowing figure of GBP 5bn. (Source: RTT News)
- Pay deals offered by British employers cooled for the first time this year in the quarter to July, which may ease Bank of England officials' concerns over wage growth fueling inflation. The median basic pay deals in the three months to the end of July fell to 5.7% after six straight quarters at a record 6%. (Source: Investing)
- Oil prices fell 0.5% as investors remained concerned that China's economic woes would continue to keep demand volatile.
- Gold inched up 0.1% as a slight pullback in US dollar and Treasury yields helped the bullion stabilize amid investors awaiting guidance from major central bankers on the interest rate trajectory.

Forex / Currency

Currency / USD	Close	Daily Change%	MTD %	YTD %
Dollar Index	103.56	0.3	1.7	0.0
Euro	1.08	-0.5	-1.4	1.3
Japanese Yen	145.89	-0.2	2.5	11.3
Sterling Pound	1.27	-0.2	-0.8	5.4
Chinese Yuan	7.31	0.2	2.2	5.6
Indian Rupee	82.94	-0.2	0.8	0.2
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	0.3	0.7
Omani Rial	0.39	0.1	0.0	0.0
Bahraini Dinar	0.38	0.0	0.0	0.0
Egyptian Pound	30.93	0.0	0.0	24.9

Corporate Calendar

Date	Company	Event
23 rd Aug	STC	Cash Dividend Distribution
23 rd Aug	Alinma	Cash Dividend Distribution
23 rd Aug	A. Othaim Market	Conference call with analysts
23 rd Aug	Baazeem	Eligibility for cash dividend
23 rd Aug	Theeb	Cash dividend distribution
23 rd Aug	Maharah	Conference call

*EGM: Extra Ordinary Meeting

*OGM: Ordinary General Meeting

Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	4,069	0.4	0.2	22.2	9.3
Abu Dhabi (ADX)	9,766	-0.1	-0.2	-4.9	32.3
Kuwait (KSE)	7,717	0.2	-4.3	-4.9	18.4
Qatar (QE)	10,455	0.0	-4.6	-2.1	13.1
Oman (MSM)	4,773	-0.1	-0.1	-1.7	13.1
Bahrain (BSE)	1,964	0.1	0.1	3.6	7.4
Egypt (EGX30)	18,217	1.7	3.5	24.8	9.7

International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	34,289	-0.5	-3.6	3.4	20.6
Nasdaq	14,909	-0.2	-5.4	36.3	31.5
S&P 500	4,388	-0.3	-4.4	14.3	21.4
FTSE 100	7,271	0.2	-5.6	-2.4	10.5
Germany DAX 30	15,706	0.7	-4.5	12.8	12.4
France CAC 40	7,241	0.6	-3.4	11.8	12.5
Japan Nikkei 225	31,857	0.9	-4.0	22.1	25.4
Russia MOEX	3,164	0.8	3.0	46.9	2.4
Hong Kong Hang Seng	17,791	1.0	-11.4	-10.1	9.1
South Korea KOSPI	2,516	0.3	-4.4	12.5	17.8
China Shanghai Composite	3,120	0.9	-5.2	1.0	13.9
Australia ASX 200	7,122	0.1	-3.9	1.2	14.5
India Sensex	65,220	0.0	-2.0	7.2	22.8
MSCI EM	967	0.7	-7.7	1.1	13.6
MSCI World	2,909	0.0	-5.1	11.8	19.9

Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	89.23	-1.2	0.5	5.9
Brent Crude (\$/bbl)	84.03	-0.5	-1.8	-2.2
Texas crude (\$/bbl)	80.35	-0.5	-1.8	0.1
Natural Gas (\$/mmbtu)	2.56	-2.7	-2.8	-37.7
Gold (\$/oz)	1,897.48	0.1	-3.4	4.0
Silver (\$/oz)	23.41	0.4	-5.4	-2.3
Steel (\$/ton)	807.00	0.0	-2.2	8.5
Iron Ore (CNY/MT)	880.50	2.0	-1.9	2.7
Wheat (\$/bu)	627.50	0.3	-9.3	-23.5
Corn (\$/bu)	479.50	-0.6	-6.5	-21.5
Sugar (\$/lb)	23.40	0.0	-2.9	31.3
SMP* (EUR/MT)	2,238.00	0.0	-5.4	-19.4

*SMP: Skimmed Milk Powder

Interbank Rates

Region	Rate*	Daily Change(bps)	MTD (bps)	YTD (bps)
KSA (SAIBOR 1M)	5.82	3.4	10.2	108.7
KSA (SAIBOR 3M)	6.11	0.3	10.0	76.8
KSA (SAIBOR 6M)	6.08	1.7	6.5	48.5
KSA (SAIBOR 12M)	6.09	0.8	5.0	22.0
USA (SOFR 3M)	5.38	0.6	1.8	79.6
UAE (EIBOR 3M)	5.38	7.3	12.1	107.4

Data Sources: Tadawul, Bloomberg, Reuters
Closes as of August 22, 2023

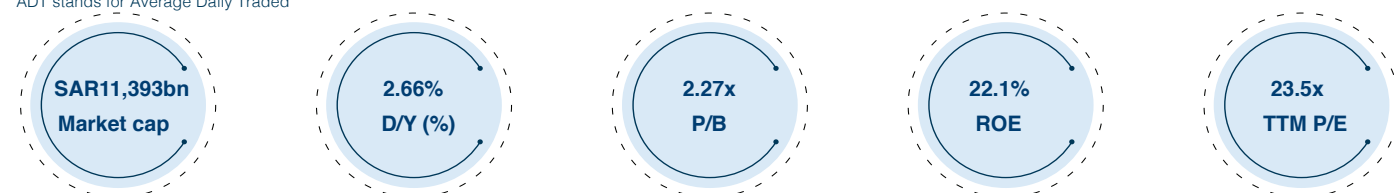


Technical observations	
Index	TASI
Ticker	SASEIDX Index
Last Close	11,378
Short-term view	Cautious
52 weeks high/low	13,949 – 9,931

Market data	
Exchange Market Cap. (SAR bn)	11,392.6
Value (SAR mn)	4,654.8
Volume (mn)	181.3
Number of Transactions	331,706
Market Breadth	89 : 127

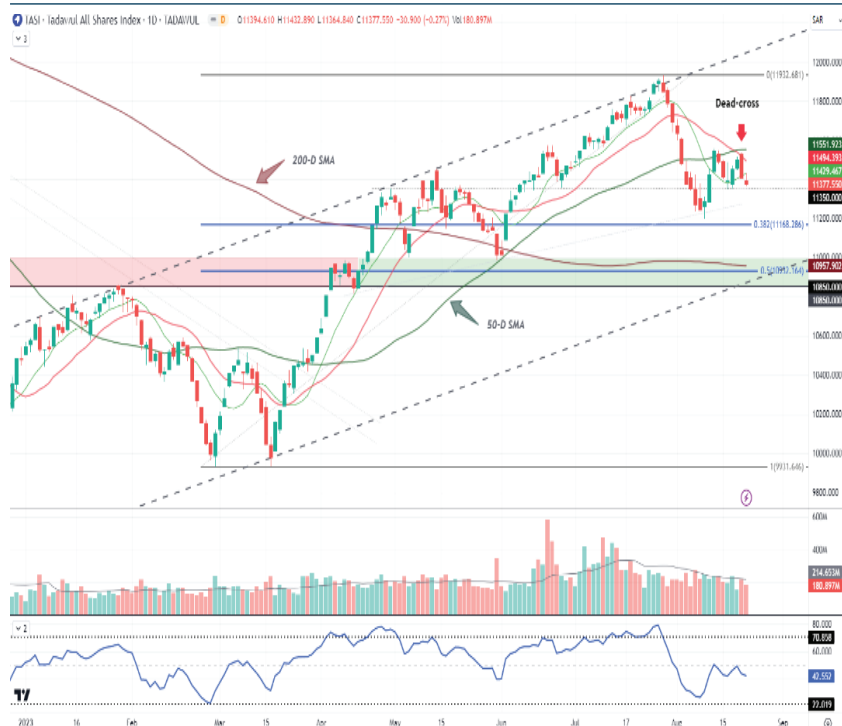
Key statistics	
1D return %	-0.27%
MTD return %	-2.69%
QTD return	-0.71%
YTD return	8.58%
ADT vol. 3M* (mn)	245.6
ADT val. 3M (SARmn)	6,138.6

*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 22nd Aug 2023

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TASI market commentary

- TASI witnessed a decline on Tuesday which was led by index heavyweights Banks (-0.45% D/D) and Materials (-0.45% D/D) sectors. At close, the Saudi market ended the day with a change of -0.27% at 11,378. In terms of activity, total volumes and value traded were ~181mn and ~SAR 4.7bn, respectively. The advance-decline ratio came in at 89/127.

Technical outlook

- TASI closed near 11,378, losing 31 points. The selling pressure persisted and pushed the index down to close below its 10-day SMA which suggests witnessing a potential further decline in the short term. Additionally, the 20 & 50-day SMAs started to diverge negatively after experiencing a dead cross; depicting the dominance of the selling power and tipping the odds in favor of resuming the selling attitude in the short term. Furthermore, the RSI indicator started moving down after retesting the level of 50, implying more downside potential for 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 11,430 followed by 11,550. If penetrated, the next resistance is expected to lay near 11,650. Traders are advised to closely monitor the critical support level of 11,350 where a close below it would trigger another potential wave of selling pressure. Also, the profit-booking sentiment may continue as long as the index continues to trade below the key resistance level of 11,550.

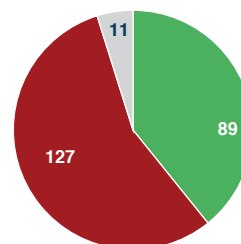
Key price levels						
S3	S2	S1	Pivot	R1	R2	R3
11,100	11,170	11,350	11,430	11,550	11,650	11,775

Our view



Market depth

■ Unchanged
■ Up
■ Down



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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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