

Major Economic News

- Minister of municipal, rural affairs, and housing, stated that as part of its strategic strategy to provide more than nine distinct packages, the ministry is trying to assist Saudi families own homes while also working towards reducing the price of housing units. (Source: Argaam)
- Saudi Arabia's Industrial Production Index (IPI) declined by 9.8% Y/Y in July, continuing its decline for the third consecutive month. (Source: Argaam)
- The India-Saudi Investment Forum saw the signing of up to 20 agreements in the areas of energy, technology, food, industry, and construction. It is expected that around 47 agreements will be signed between Saudi Arabia and India during the Crown Prince's official visit to India. (Source: Argaam)

Major Corporate News

- The valuation of Lumi Rental Co.'s stock was based on various factors, such as the company's balance sheet, its ability to deliver growth, the sector status, economic conditions, and investor demand, according to its CEO. (Source: Argaam)
- Cenomi Retail announces long-term strategic partnership with Tabby, MENA's leading shopping and financial services app. The partnership is a first of its kind collaboration between a BNPL player and an omnichannel retailer in Saudi Arabia. It is a crucial move towards bringing innovative payment solutions to serve consumers in KSA. (Source: Tadawul)
- Sumou Real Estate Company announces the signing of a selling and marketing agreement for Ajwan project with an area of 1mn Sqm in Khobar City with Adeer. (Source: Tadawul)

Market Analysis

- The Saudi Stock Exchange increased 0.7% to 11,235.1. The value traded stood at SAR 6.5bn (up 33.2% over previous day), while the advance-decline ratio stood at 157/60. The parallel market index declined 1.3% at 22,556.9 points. The value traded stood at SAR 60.0mn (up 140.8% over previous day). Most sectors in the main market ended in green. Diversified Financials and Utilities (up 3.0% and 2.3%, respectively) advanced the most; Energy and Healthcare (down 0.4% and 0.1%, respectively) were the only laggards. most; Consumer Durables and Diversified Financials (up 1.0% and 0.6%, respectively) advanced the most.

Top Gainers

Company	Price	Change%
ALYAMAMAH STEEL	26.95	10.0
FIPCO	44.00	7.6
SHAKER	26.00	7.0
ALBAHA	0.16	6.7
SAUDI CERAMICS	29.70	6.6

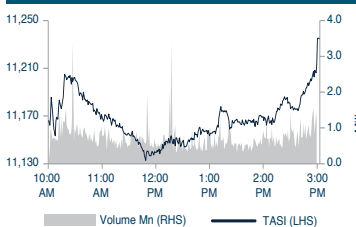
Top Losers

Company	Price	Change%
ATHEEB TELECOM	144.80	-10.0
SUMOU	48.50	-5.1
APC	99.00	-4.3
WAFRAH	40.45	-3.4
ALANDALUS	22.44	-3.3

Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	11,235	11,235	11,133	0.7	7.2
NomuC	22,557	22,841	22,383	-1.3	16.2

TASI movement during session



TASI Ratios

P/E* (x)	23.16
Price-to-Book (x)	2.24
Dividend Yield (%)	2.7
Return on Equity (%)	22.07

*Source: Argaam (Excluding Aramco)

Index	Close	Daily Change%	YTD %	PE (TTM)
Energy	6,339	-0.4	16.8	16.3
Materials	6,414	1.8	2.0	40.7
Capital Goods	7,883	0.8	50.8	22.1
Commercial Service	4,850	0.0	41.1	29.7
Transportation	5,739	1.4	26.4	High
Consumer Durables	5,133	2.1	21.5	Neg
Consumer Services	5,258	0.9	42.5	41.3
Media	24,590	1.8	14.4	27.8
Retailing	7,813	0.9	8.9	22.7
Food & Staples	9,842	1.3	15.2	19.6
Food & Beverages	5,735	1.5	23.6	30.7
Healthcare	10,610	-0.1	16.5	44
Pharma & Bio Tech	4,789	1.7	66.7	High
Banks	10,761	0.5	-6.8	13
Diversified Financial	6,982	3.0	9.8	33.8
Insurance	8,171	0.6	53.7	25.4
Telecom	7,311	0.9	14.4	15.8
Utilities	8,120	2.3	13.2	16
REITs	3,606	0.1	-9.3	High
Real Estate	3,206	0.0	28.2	High
Software & Services	64,037	0.0	78.4	41.1

Average Index Value

Average days 5	Average days 10	Average days 20	Average value traded for the month (bn)
11,263	11,371	11,398	5.6

Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	11.4	401.48	819.60
Previous week	28.1	954.57	2,054.52

Top Weighted Companies

Company	Price	Change%
Saudi Aramco	33.80	-0.4
Al Rajhi	70.80	0.9
SNB	34.85	-0.1
SABIC	90.00	1.5
STC	39.70	1.3



International Market News

- The euro area economy is set to mark a slower-than-expected growth in FY23 and FY24 as surging consumer prices continue to weigh on domestic demand and monetary policy tightening works its way through the economy. (Source: RTT News)
- New bank lending in China surpasses expectations by nearly quadrupling in August from July's level, as the central bank seeks to boost economic growth amid soft demand locally and globally. Chinese banks extended CNY 1.36tn (USD 186.18bn) in new yuan loans in August, up from CNY 345.9bn in July. (Source: Investing)
- China's economy is expected to grow at a slower pace than previously expected in FY23 and FY24 amid a struggling property market, according to a Reuters poll of economists who mentioned that the risks were skewed towards more downgrades. (Source: Investing)
- Oil prices remained largely unchanged following fresh Saudi and Russian crude output cuts. Saudi Arabia and Russia announced last week that they will extend supply cuts of a combined 1.3 mbpd until the end of 2023.
- Gold prices inched up with focus on U.S. inflation data and their likely impact on the Federal Reserve's interest rate trajectory.

Forex / Currency

Currency / USD	Close	Daily Change%	MTD %	YTD %
Dollar Index	104.6	-0.5	0.9	1.0
Euro	1.1	0.5	-0.9	0.4
Japanese Yen	146.6	-0.8	0.7	11.8
Sterling Pound	1.3	0.3	-1.3	3.5
Chinese Yuan	7.3	-0.8	0.4	5.5
Indian Rupee	83.0	0.1	0.3	0.4
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	0.1	0.8
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	-0.1	24.8

Corporate Calendar

Date	Company	Event
12 th Sep	SABIC	Eligibility for cash dividend
12 th Sep	Lumi Rental	Start of retail offering
12 th Sep	Riyadh Cement	Cash Dividend Distribution
12 th Sep	CMCER	Cash dividend distribution
12 th Sep	Al Rashid Industrial	Listing date
12 th Sep	IOud	Close of IPO offering

*EGM: Extra Ordinary Meeting

*OGM: Ordinary General Meeting

Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	4,070	0.1	-0.3	22.0	9.3
Abu Dhabi (ADX)	9,713	0.2	-1.0	-4.9	31.5
Kuwait (KSE)	7,698	-0.2	0.0	-5.1	18.3
Qatar (QE)	10,404	0.6	2.0	-2.6	13.0
Oman (MSM)	4,698	0.0	-2.1	-3.3	13.0
Bahrain (BSE)	1,939	-0.1	-0.7	2.3	7.3
Egypt (EGX30)	19,279	-1.5	2.1	32.1	8.8

International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	34,664	0.3	-0.2	4.6	20.8
Nasdaq	15,462	1.2	-0.3	41.3	32.8
S&P 500	4,487	0.7	-0.4	16.9	22.0
FTSE 100	7,497	0.2	0.8	0.6	10.8
Germany DAX 30	15,801	0.4	-0.9	13.5	12.4
France CAC 40	7,278	0.5	-0.5	12.4	12.5
Japan Nikkei 225	32,468	-0.4	-0.5	24.4	25.8
Russia MOEX	3,122	-0.7	-3.3	44.9	2.4
Hong Kong Hang Seng	18,096	-0.6	-1.6	-8.5	10.2
South Korea KOSPI	2,557	0.4	0.0	14.3	18.1
China Shanghai Composite	3,143	0.8	0.7	1.7	14.0
Australia ASX 200	7,192	0.5	-1.5	2.2	16.0
India Sensex	67,127	0.8	3.5	10.3	23.5
MSCI EM	978	0.4	-0.3	2.2	14.1
MSCI World	2,969	0.7	-0.6	14.1	18.8

Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	95.5	0.8	5.5	13.4
Brent Crude (\$/bbl)	90.6	-0.0	4.4	5.5
Texas crude (\$/bbl)	87.3	-0.3	4.4	8.8
Natural Gas (\$/mmbtu)	2.6	0.1	-5.8	-37.5
Gold (\$/oz)	1,922.3	0.2	-0.9	5.4
Silver (\$/oz)	23.1	0.7	-5.6	-3.7
Steel (\$/ton)	720.0	0.0	-1.2	-3.2
Iron Ore (CNY/MT)	908.5	0.2	-0.8	6.0
Wheat (\$/bu)	584.5	-1.9	-2.9	-28.7
Corn (\$/bu)	485.8	0.4	1.6	-20.5
Sugar (\$/lb)	26.7	0.2	6.4	49.6
SMP* (EUR/MT)	2,270.0	0.0	2.8	-18.2

*SMP: Skimmed Milk Powder

Interbank Rates

Region	Rate*	Daily Change(bps)	MTD (bps)	YTD (bps)
KSA (SAIBOR 1M)	5.757	3.22	-10.3	102.6
KSA (SAIBOR 3M)	6.279	-1.73	12.9	93.9
KSA (SAIBOR 6M)	6.060	-1.05	-4.5	46.3
KSA (SAIBOR 12M)	6.098	1.42	1.6	22.8
USA (SOFR 3M)	5.405	-0.52	0.4	81.8
UAE (EIBOR 3M)	5.273	3.39	1.7	96.3

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



Technical observations

Index	TASI
Ticker	SASEIDX Index
Last Close	11,235
Short-term view	Cautious
52 weeks high/low	12,100 – 9,931

Market data

Exchange Market Cap. (SAR bn)	11,190.6
Value (SAR mn)	6,504.9
Volume (mn)	231.7
Number of Transactions	467,252
Market Breadth	157 : 60

Key statistics

1D return %	0.73%
MTD return %	-2.23%
QTD return	-1.95%
YTD return	7.22%
ADT vol. 3M* (mn)	249.1
ADT val. 3M (SARmn)	6,033.2

*ADT stands for Average Daily Traded

TASI market commentary

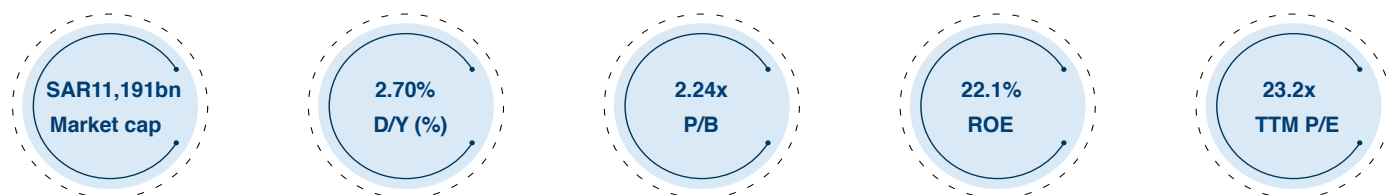
- TASI witnessed a rise on Monday which was led by index heavyweights Materials (1.85% D/D) and Telecommunication services (0.94% D/D) sectors. At close, the Saudi market ended the day with a change of 0.73% at 11,235. In terms of activity, total volumes and value traded were ~232mn and ~SAR 6.5bn, respectively. The advance-decline ratio came in at 157/60.

Technical outlook

- TASI closed near 11,235, with a gain of 81 points. Following a streak of seven consecutive declining sessions, the index experienced a powerful rising session, temporarily halting the prevailing selling sentiment. TASI formed a positive green candlestick near the 38.2% Fibonacci retracement of the previous uptrend suggesting a potential intervening upside rebound. Additionally, the RSI indicator started to point upward; indicating the possibility of witnessing a minor upside rebound before the reappearance of the prevailing selling pressure. TASI has immediate resistance at around 11,265 followed by 11,350. If penetrated; it would be expected to face a resistance near 11,400. On the other hand, it has an immediate support near 11,100. If breached, the next strong support level is expected to be found near 10,960 where buying power may reappear. Currently, TASI is witnessing a temporary recovery amidst ongoing selling pressure. This rebound may continue for a short period, aiming to reach the 20-day SMA around 11,350-11,400 points. A close above this level would indicate the index's strength and potentially lead to more buying activity.

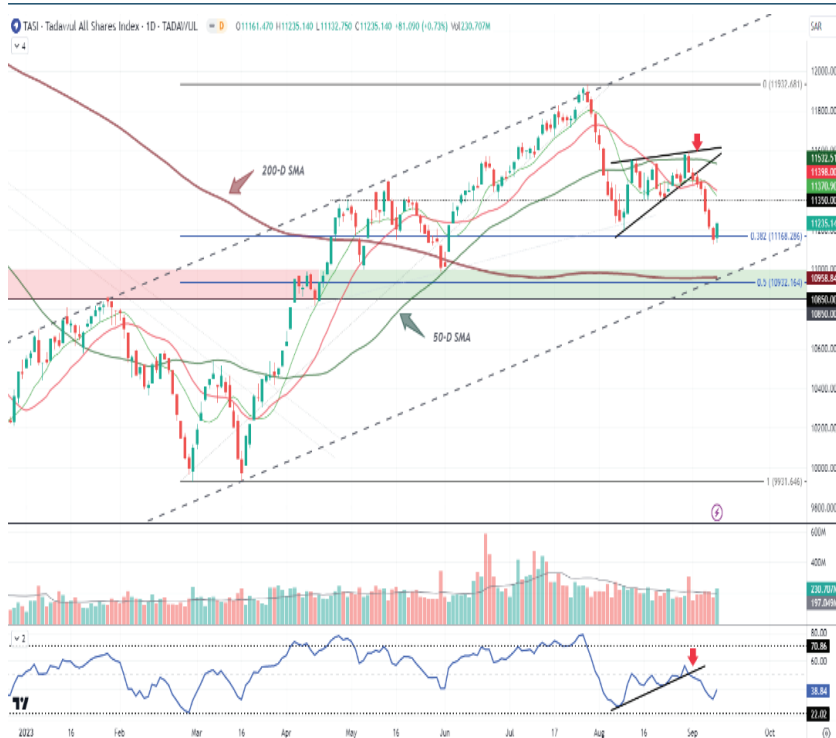
Key price levels

S3	S2	S1	Pivot	R1	R2	R3
10,850	10,960	11,100	11,265	11,350	11,400	11,550



Source: Bloomberg, Argaam

TASI daily chart



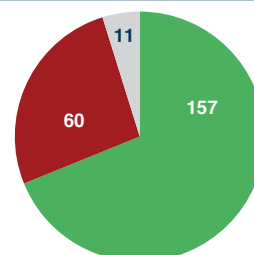
Source: Tradingview, Aljazeera Capital

Our view



Market depth

Unchanged
Up
Down





SAUDI MARKET - TOP PICKS FOR THE DAY

Code	Company	Close*	Buy range	Target	Stop loss
4180	Fitaihi Holding Group	3.53	3.53 - 3.52	3.57	3.49
4051	Baazeem Trading Company	67.60	67.60 - 67.40	68.30	66.90
6002	Herfy Food Services Co.	34.60	34.60 - 34.50	34.95	34.25
1832	Sadr Logistics Co.	3.51	3.51 - 3.50	3.55	3.47
4008	Saudi Company for Hardware	32.40	32.40 - 32.30	32.70	32.05
8311	Saudi Enaya Cooperative insurance Company	11.98	11.98 - 11.94	12.10	11.86

* As of 11th Sep 2023

* Note – Stop loss is based on an intraday basis

CHARTS OF THE DAY

Technical observations

Fitaihi Group penetrated the upper boundary of the prior sideways price action as well as its 200-day EMA. Moreover, all the technical indicators show bullish structure.

Fitaihi Holding Group (Fitaihi Group)



Source: Tradingview, Aljazira Capital

Technical observations

Baazeem started to penetrate the level of the prior minor peak, the 20-day SMA and a declining trendline. Moreover, all the technical indicators show bullish structure.

Baazeem Trading Company (Baazeem)



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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