



Major Economic News

- Saudi Arabia's international reserve assets increased to SAR 1.60tn M/M in August 2023, according to SAMA. The Kingdom's foreign reserve assets declined by 7% or SAR 114bn Y/Y. (Source: Argaam)
- Riyadh Season will open for its fourth edition under a new identity and logo –"Big Time". One of the most prominent spaces that will open during this year's Riyadh Season is the Boulevard Hall over an area of more than 200,000 square meters and can accommodate over 40,000 visitors. (Source: Argaam)

Major Corporate News

- Knowledge Economic City Co. signed a Shariah-compliant credit facility agreement valued SAR 143mn with Al Rajhi Bank. Of the total, SAR 118mn will be utilized towards execution costs for ongoing project, and SAR 25mn towards supporting working capital. (Source: Argaam)
- Sadr Logistics Co. (Sadr) announced the start of commercial operations at its wooden pallet factory, affiliated with the Saudi Authority for Industrial Cities and Technology Zones (MODON), after completing all necessary requirements and licenses for operation. The plant is expected to be completed by December 2024. (Source: Argaam)
- The subscription of the IPO of iOud is completed, with a coverage ratio of 1,983.63%. A total of 325,000 ordinary shares, representing 20% of the company's capital, were floated. Qualified investors fully subscribed to the offered shares at SAR 49 each. The IPO is expected to debut on Nomu market. (Source: Argaam)

Market Analysis

- The Saudi Stock Exchange declined 0.5% to 11,104.2. The value traded stood at SAR 4.0bn (down 45.2% over previous day), while the advance-decline ratio stood at 85/129. The parallel market index declined 0.1% at 22,791.8 points. The value traded stood at SAR 22.8mn (down 33.6% over previous day). Most sectors in the main market ended mixed. Transportation and Healthcare (up 0.7% and 0.6%, respectively) advanced the most; Software & Services and Media (down 2.5% and 2.0%, respectively) declined the most.

Top Gainers

Company	Price	Change%
CENOMI RETAIL	21.18	7.2
ALBAHA	0.16	6.7
FIPCO	51.60	6.3
CHEMICAL	4.93	5.6
SHAKER	26.90	4.5

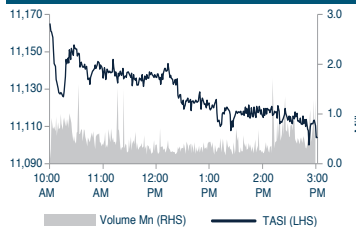
Top Losers

Company	Price	Change%
RIYADH CABLES	66.90	-5.8
ALUJAIN	45.45	-5.6
MALATH INSURANCE	21.00	-3.5
CENOMI CENTRES	20.22	-3.4
SRMG	172.40	-3.3

Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	11,104	11,165	11,100	-0.5	6.0
NomuC	22,792	23,040	22,642	-0.1	17.4

TASI movement during session



TASI Ratios

P/E* (x)	22.74
Price-to-Book (x)	2.2
Dividend Yield (%)	2.75
Return on Equity (%)	22.07

*Source: Argaam (Excluding Aramco)

Index	Close	Daily Change%	YTD %	PE (TTM)
Energy	6,397	0.4	17.9	16.5
Materials	6,275	-0.4	-0.2	39.6
Capital Goods	7,667	-1.2	46.7	21.2
Commercial Service	4,863	0.2	41.5	29.6
Transportation	5,781	0.7	27.3	High
Consumer Durables	5,066	-0.5	19.9	Neg
Consumer Services	5,127	0.3	38.9	40.4
Media	23,692	-2.0	10.2	26.7
Retailing	7,742	0.3	7.9	22.5
Food & Staples	9,863	-1.4	15.5	19.6
Food & Beverages	5,757	0.0	24.1	30.7
Healthcare	10,411	0.6	14.3	43.9
Pharma & Bio Tech	4,551	0.1	58.4	High
Banks	10,601	-1.0	-8.2	12.8
Diversified Financial	6,806	-0.7	7.0	33.3
Insurance	8,076	0.3	51.9	25
Telecom	7,160	0.1	12.1	15.4
Utilities	8,067	-1.0	12.4	15.9
REITs	3,568	0.1	-10.2	High
Real Estate	3,142	-1.0	25.7	High
Software & Services	61,070	-2.5	70.2	39

Average Index Value

Average days 5	Average days 10	Average days 20	Average value traded for the month (bn)
11,154	11,228	11,337	5.8

Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	4	147.98	322.46
Previous week	31.2	1,104.45	2,145.63

Top Weighted Companies

Company	Price	Change%
Saudi Aramco	34.10	0.4
Al Rajhi	70.60	-1.1
SNB	34.00	-0.2
SABIC	85.50	0.0
STC	38.40	0.0



International Market News

- Britain's main manufacturing trade body cut its forecast for the sector's growth for FY23 and FY24, stating a sharp decline in factory output and economic uncertainty. Trade body Make UK expects output to fall 0.5% in 2023, down from its June forecast for a 0.3% decline, and expand just 0.5% in 2024. (Source: Investing)
- The asking prices for homes in Britain increased marginally in September following a sharp decline in August, but buyer affordability is expected to improve in the coming months as higher mortgage rates ease. (Source: Investing)
- The Fed policy meeting scheduled for September 19-20 is particularly crucial, with expectations that the Fed will maintain its current rates. The dot plot is expected to shed light on two key questions: whether officials will keep to their projection of another 25 basis-point rate hike by the end of 2023 and how much easing they anticipate for 2024. (Source: Investing)
- After the ECB hiked interest rates to a record 4%, the question now arises how long they will hold at this level. The Federal Reserve and Bank of England are both expected to have at most one more hike. However, inflation is not expected to reach the central banks' target levels of 2% until 2025, meaning further risk to the outlook. (Source: CNBC)

Forex / Currency

Currency / USD	Close	Daily Change%	MTD %	YTD %
Dollar Index	105.3	0.0	1.6	1.7
Euro	1.1	0.0	-1.7	-0.4
Japanese Yen	147.9	0.0	1.6	12.8
Sterling Pound	1.2	0.0	-2.3	2.5
Chinese Yuan	7.3	0.0	0.1	5.2
Indian Rupee	83.2	0.0	0.5	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	1.0
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
18 th Sep	IOud	Surplus refund date
19 th Sep	Atlas Elevators	Final allocation date
20 th Sep	ABO MOATI	Ex-dividend Date
21 st Sep	SISCO	Cash Dividend Distribution
21 st Sep	Atlas Elevators	Surplus refund date
21 st Sep	Lumi Rental	Surplus refund date

*EGM: Extra Ordinary Meeting

*OGM: Ordinary General Meeting

Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	4,043	0.0	-1.0	21.2	9.2
Abu Dhabi (ADX)	9,880	0.0	0.7	-3.2	32.0
Kuwait (KSE)	7,676	-0.4	-0.2	-5.4	18.3
Qatar (QE)	10,253	-0.6	0.6	-4.0	12.8
Oman (MSM)	4,711	-0.3	-1.8	-3.0	13.0
Bahrain (BSE)	1,925	-0.3	-1.4	1.6	7.2
Egypt (EGX30)	19,669	0.7	4.2	34.7	9.0

International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	34,618	0.0	-0.3	4.4	20.8
Nasdaq	15,202	0.0	-1.9	39.0	32.3
S&P 500	4,450	0.0	-1.3	15.9	21.8
FTSE 100	7,711	0.0	3.7	3.5	11.2
Germany DAX 30	15,894	0.0	-0.3	14.1	12.5
France CAC 40	7,379	0.0	0.8	14.0	12.7
Japan Nikkei 225	33,533	0.0	2.8	28.5	26.7
Russia MOEX	3,153	0.0	-2.3	46.3	2.6
Hong Kong Hang Seng	18,183	0.0	-1.1	-8.1	10.2
South Korea KOSPI	2,601	0.0	1.8	16.3	18.4
China Shanghai Composite	3,118	0.0	-0.1	0.9	13.9
Australia ASX 200	7,279	0.0	-0.4	3.4	16.2
India Sensex	67,839	0.0	4.6	11.5	23.7
MSCI EM	985	0.0	0.5	3.0	14.2
MSCI World	2,961	0.0	-0.8	13.8	18.9

Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	99.1	0.0	9.5	17.7
Brent Crude (\$/bbl)	93.9	0.0	8.1	9.3
Texas crude (\$/bbl)	90.8	0.0	8.5	13.1
Natural Gas (\$/mmbtu)	2.6	0.0	-4.5	-36.7
Gold (\$/oz)	1,923.9	0.0	-0.8	5.5
Silver (\$/oz)	23.0	0.0	-5.8	-3.8
Steel (\$/ton)	704.0	0.0	-3.4	-5.4
Iron Ore (CNY/MT)	937.5	0.0	2.3	9.4
Wheat (\$/bu)	604.3	0.0	0.4	-26.3
Corn (\$/bu)	476.3	0.0	-0.4	-22.0
Sugar (\$/lb)	27.2	0.0	6.8	51.6
SMP* (EUR/MT)	2,275.0	0.0	3.0	-18.0

*SMP: Skimmed Milk Powder

Interbank Rates

Region	Rate*	Daily Change(bps)	MTD (bps)	YTD (bps)
KSA (SAIBOR 1M)	5.829	7.24	-3.1	109.8
KSA (SAIBOR 3M)	6.294	2.56	14.4	95.4
KSA (SAIBOR 6M)	6.061	0.97	-4.4	46.3
KSA (SAIBOR 12M)	6.070	0.15	-1.2	20.0
USA (SOFR 3M)	5.402	0.00	0.0	81.4
UAE (EIBOR 3M)	5.244	0.00	-1.1	93.5

Data Sources: Tadawul, Bloomberg, Reuters
Closes as of September 17, 2023

Technical observations	
Index	TASI
Ticker	SASEIDX Index
Last Close	11,104
Short-term view	Cautious
52 weeks high/low	12,100 – 9,931

Market data	
Exchange Market Cap. (SAR bn)	11,209.7
Value (SAR mn)	4,043.6
Volume (mn)	148.0
Number of Transactions	322,457
Market Breadth	85 : 129

Key statistics	
1D return %	-0.45%
MTD return %	-3.37%
QTD return	-3.10%
YTD return	5.97%
ADT vol. 3M* (mn)	237.3
ADT val. 3M (SARmn)	5,958.6

*ADT stands for Average Daily Traded

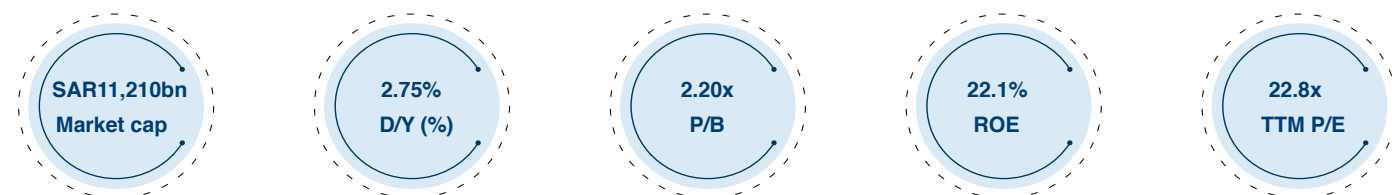
TASI market commentary

- TASI witnessed a decline on Sunday which was led by index heavyweights Banks (-0.98% D/D) and Materials (-0.42% D/D) sectors. At close, the Saudi market ended the day with a change of -0.45% at 11,104. In terms of activity, total volumes and value traded were ~148mn and ~SAR 4.0bn, respectively. The advance-decline ratio came in at 85/129.

Technical outlook

- TASI closed the last session near 11,104, resulting in a loss of 50 points. The index is still hovering near the 127.2% Fibonacci retracement of the preceding short-term upward movement. However, it formed a bearish candlestick indicating the likelihood of encountering further selling pressure in the near term. Moreover, the negative divergence between the 10-day and 20-day SMAs suggests the potential resumption of the previous short-term downtrend, targeting the 200-day SMA. Furthermore, the RSI indicator started to point downward within the bearish territory, reflecting the index's weakness in the short term. TASI currently has immediate support near 11,100. If breached, the next strong support level is expected to be near 10,960 where buying power may reappear. On the other hand, it has an immediate resistance at around 11,200 followed by 11,250. If penetrated; it would be expected to face a resistance near 11,350. So far, TASI is still experiencing a short-term downtrend, which is expected to continue as long as the index maintained trading below its 20-day SMA near 11,350. Nevertheless, traders are advised to closely monitor the strong support level of 10,960, as it holds the potential for a resurgence of buying power.

Key price levels						
S3	S2	S1	Pivot	R1	R2	R3
10,850	10,960	11,100	11,200	11,250	11,350	11,550



Source: Bloomberg, Argam

TASI daily chart



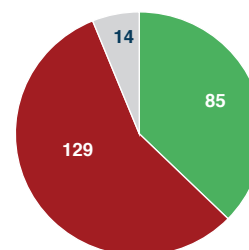
Source: Tradingview, Aljazira Capital

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
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No stocks recommendations due to market volatility

* As of 17th September 2023

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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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