

## Major Economic News

- The financing provided via debt crowdfunding service amounted to SAR 771mn in FY22. The number of financing transactions were recorded at 1,260 in FY22 vs 422 financing deals in FY21. (Source: Argaam)
- Saudi Arabia's oil exports dropped in July by 12% M/M to 6.01 mbpd. On a Y/Y basis, oil exports declined 19% from 7.38mbpd in July 2022. (Source: Argaam)

## Major Corporate News

- Umm Al-Qura Cement Co. restarted its Cement Mill No. 1 after rehabilitating it to be technically compatible with a locally purchased alternative unit following the necessary modifications and technical testing. (Source: Tadawul)
- NADEC announced that it has received a letter from Saudi Agricultural and Livestock Investment Co. (SALIC), a major shareholder who owns more than 5% of the company's capital, regarding SALIC's intention to complete the process of transferring ownership of indirectly owned shares and depositing them in their direct investment portfolio. (Source: Tadawul)
- The Capital Market Authority approved the application received from Arabian Shield Cooperative Insurance Co. to increase its capital to SAR 798.15 million by issuing 15.96 million ordinary shares. The capital hike is aimed at merging Alinma Tokio Marine Co. into Arabian Shield Cooperative Insurance Co. (Source: Tadawul)
- Thimar Development Holding Co. announced the prospectus for its capital increase through a SAR 150mn rights offering. The company's capital will be raised by 150% to SAR 250mn, through offering 15mn shares at an offer price of SAR 10 each. (Source: Argaam)

## Market Analysis

- The Saudi Stock Exchange declined 0.6% to 11,036.0 The value traded stood at SAR 5.6bn (up 39.5% over previous day), while the advance-decline ratio stood at 41/176. The parallel market index declined 2.2% at 22,289.7 points. The value traded stood at SAR 25.2mn (up 10.5% over previous day). Most sectors in the main market ended in red. Media and Transportation (down 5.9% and 2.4%, respectively) declined the most; Pharma and Food & Beverages (up 1.3% and 1.2%, respectively) advanced the most; Software & Services and Media (down 2.5% and 2.0%, respectively) declined the most.

## Top Gainers

Company	Price	Change%
SSP	36.80	5.1
SAVOLA GROUP	36.90	3.7
SPCC	46.35	3.5
ALUJAIN	47.00	3.4
AMANA INSURANCE	12.40	2.7

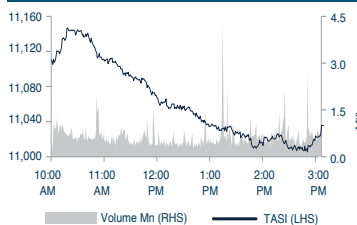
## Top Losers

Company	Price	Change%
WALAA	17.14	-10.0
ATHEEB TELECOM	123.00	-6.7
SRMG	161.00	-6.6
AMIAANTIT	44.70	-5.9
ARAB SEA	6.75	-5.3

## Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	11,036	11,149	11,003	-0.6	5.3
NomuC	22,290	22,862	22,290	-2.2	14.8

## TASI movement during session



## TASI Ratios

P/E* (x)	22.56
Price-to-Book (x)	2.18
Dividend Yield (%)	2.77
Return on Equity (%)	22.07

\*Source: Argaam (Excluding Aramco)

Index	Close	Daily Change%	YTD %	PE (TTM)
Energy	6,416	0.3	18.2	16.5
Materials	6,221	-0.8	-1.1	39.2
Capital Goods	7,597	-0.9	45.4	21
Commercial Service	4,787	-1.5	39.3	29.2
Transportation	5,641	-2.4	24.2	High
Consumer Durables	5,001	-1.3	18.4	Neg
Consumer Services	5,011	-2.3	35.8	39.4
Media	22,287	-5.9	3.7	25.2
Retailing	7,686	-0.7	7.1	22.3
Food & Staples	9,809	-0.5	14.8	19.5
Food & Beverages	5,825	1.2	25.6	31
Healthcare	10,267	-1.4	12.7	43.1
Pharma & Bio Tech	4,611	1.3	60.5	High
Banks	10,508	-0.9	-9.0	12.7
Diversified Financial	6,732	-1.1	5.8	33.1
Insurance	7,949	-1.6	49.5	24.7
Telecom	7,127	-0.5	11.6	15.3
Utilities	8,077	0.1	12.6	15.9
REITs	3,517	-1.4	-11.5	High
Real Estate	3,103	-1.3	24.1	High
Software & Services	61,558	0.8	71.5	39.2

## Average Index Value

Average days 5	Average days 10	Average days 20	Average value traded for the month (bn)
11,115	11,189	11,318	5.7

## Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	9.7	352.61	776.71
Previous week	31.2	1,104.45	2,145.63

## Top Weighted Companies

Company	Price	Change%
Saudi Aramco	34.20	0.3
Al Rajhi	69.60	-1.4
SNB	33.60	-1.2
SABIC	84.10	-1.6
STC	37.95	-1.2

## International Market News

- Oil prices rose on Tuesday for the fourth consecutive session, as weak shale output in the U.S. spurred further concerns about a supply deficit stemming from extended production cuts by Saudi Arabia and Russia. U.S. West Texas Intermediate crude futures rose 99 cents, or 1.1%, to \$92.47, by 0400 GMT, while global oil benchmark Brent crude futures rose 58 cents, or 0.61%, to \$95.01 a barrel. (Reuters)
- Asian stocks fell on concern policy decisions from major central banks this week will stay hawkish as inflation remains a threat. Shares in mainland China slipped on speculation the nation's economic recovery is faltering. Equities also dropped in Japan and Australia, although the latter pared losses after central bank minutes showed a higher hurdle for further tightening. (Bloomberg)
- The European Central Bank will keep interest rates at 4% for as long as needed to tame inflation, Governing Council member Francois Villeroys de Galhau said — indicating he doesn't favor future increases at this stage. (Bloomberg)
- A range of US economic reports are set to be delayed in an impending shutdown of the federal government, which would deprive markets, businesses and policymakers of reference points for decisions made at home and around the world. (Bloomberg)

## Forex / Currency

Currency / USD	Close	Daily Change%	MTD %	YTD %
Dollar Index	105.20	-0.1	1.5	1.6
Euro	1.07	0.3	-1.4	-0.1
Japanese Yen	147.61	-0.2	1.4	12.6
Sterling Pound	1.24	0.0	-2.3	2.5
Chinese Yuan	7.29	0.1	0.2	5.3
Indian Rupee	83.27	0.1	0.6	0.6
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	0.2	0.9
Omani Rial	0.39	0.0	-0.0	0.0
Bahraini Dinar	0.38	-0.0	-0.0	-0.0
Egyptian Pound	30.89	-0.1	-0.1	24.8

## Corporate Calendar

Date	Company	Event
19 <sup>th</sup> Sep	Atlas Elevators	Final allocation date
20 <sup>th</sup> Sep	ABO MOATI	Ex-dividend Date
21 <sup>st</sup> Sep	SISCO	Cash Dividend Distribution
21 <sup>st</sup> Sep	Atlas Elevators	Surplus refund date
21 <sup>st</sup> Sep	Lumi Rental	Surplus refund date
21 <sup>st</sup> Sep	EIC	Cash Dividend Distribution

\*EGM: Extra Ordinary Meeting

\*OGM: Ordinary General Meeting

## Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	4,048	0.1	-0.8	21.4	9.256
Abu Dhabi (ADX)	9,817	-0.6	0.1	-3.9	31.840
Kuwait (KSE)	7,668	-0.1	-0.3	-5.5	18.246
Qatar (QE)	10,272	0.2	0.8	-3.8	12.872
Oman (MSM)	4,711	-0.0	-1.8	-3.0	13.001
Bahrain (BSE)	1,922	-0.1	-1.5	1.4	7.234
Egypt (EGX30)	19,752	0.4	4.7	35.3	9.552

## International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	34,624	0.0	-0.3	4.5	20.8
Nasdaq	15,225	0.2	-1.8	39.2	32.3
S&P 500	4,454	0.1	-1.2	16.0	21.8
FTSE 100	7,653	-0.8	2.9	2.7	11.1
Germany DAX 30	15,727	-1.0	-1.4	13.0	12.4
France CAC 40	7,276	-1.4	-0.6	12.4	12.5
Japan Nikkei 225	33,533	0.0	2.8	28.5	26.7
Russia MOEX	3,135	-0.6	-2.9	45.5	2.6
Hong Kong Hang Seng	17,931	-1.4	-2.5	-9.4	10.1
South Korea KOSPI	2,575	-1.0	0.7	15.1	18.2
China Shanghai Composite	3,126	0.3	0.2	1.2	13.9
Australia ASX 200	7,230	-0.7	-1.0	2.7	16.1
India Sensex	67,597	-0.4	4.3	11.1	23.6
MSCI EM	976	-0.9	-0.4	2.1	14.2
MSCI World	2,956	-0.2	-1.0	13.6	18.9

## Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	99.08	-0.1	9.5	17.6
Brent Crude (\$/bbl)	94.43	0.5	8.7	9.9
Texas crude (\$/bbl)	91.48	0.8	9.4	14.0
Natural Gas (\$/mmbtu)	2.73	3.2	-1.4	-34.6
Gold (\$/oz)	1,933.84	0.5	-0.3	6.0
Silver (\$/oz)	23.24	0.9	-4.9	-3.0
Steel (\$/ton)	706.00	0.3	-3.2	-5.1
Iron Ore (CNY/MT)	936.00	-0.2	2.2	9.2
Wheat (\$/bu)	591.25	-2.2	-1.8	-27.9
Corn (\$/bu)	471.50	-1.0	-1.4	-22.8
Sugar (\$/lb)	27.36	0.7	7.6	52.8
SMP* (EUR/MT)	2,275.00	0.0	3.0	-18.0

\*SMP: Skimmed Milk Powder

## Interbank Rates

Region	Rate*	Daily Change(bps)	MTD (bps)	YTD (bps)
KSA (SAIBOR 1M)	5.87	4.2	1.1	114.0
KSA (SAIBOR 3M)	6.22	-6.9	7.4	88.5
KSA (SAIBOR 6M)	6.04	-2.2	-6.6	44.2
KSA (SAIBOR 12M)	6.06	-1.4	-2.6	18.6
USA (SOFR 3M)	5.40	-0.4	-0.3	81.0
UAE (EIBOR 3M)	5.12	-12.9	-13.9	80.6

Data Sources: Tadawul, Bloomberg, Reuters  
Closes as of September 18, 2023



## Technical observations

Index	TASI
Ticker	SASEIDX Index
Last Close	11,036
<b>Short-term view</b>	Cautious Buy
52 weeks high/low	12,100 – 9,931

## Market data

Exchange Market Cap. (SAR bn)	11,209.8
Value (SAR mn)	5,640.7
Volume (mn)	204.6
Number of Transactions	454,255
Market Breadth	41 : 176

## Key statistics

1D return %	-0.61%
MTD return %	-3.96%
QTD return	-3.69%
YTD return	5.32%
ADT vol. 3M* (mn)	235.6
ADT val. 3M (SARmn)	5,951.4

\*ADT stands for Average Daily Traded

## TASI market commentary

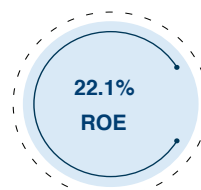
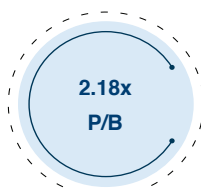
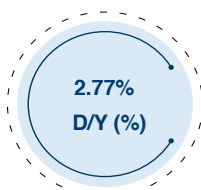
- TASI witnessed a decline on Monday which was led by index heavyweights Banks (-0.88% D/D) and Materials (-0.85% D/D) sectors. At close, the Saudi market ended the day with a change of -0.61% at 11,036. In terms of activity, total volumes and value traded were ~205mn and ~SAR 5.6bn, respectively. The advance-decline ratio came in at 41/176.

## Technical outlook

- TASI closed near 11,036, losing another 68 points. As expected, the selling pressure persisted, resulting in a significant red candlestick that surpassed the 127.2% Fibonacci retracement level of the preceding short-term upward movement. Currently, TASI is approaching a notable support level that coincides with previous medium-term troughs, the 161.8% Fibonacci retracement level, and the 200-day SMA. Moreover, the RSI indicator is approaching a long-term trendline near its oversold zone, suggesting the possibility of witnessing an impending significant upside rebound. TASI presently has immediate robust support near 10,960, where buying power may potentially reemerge. If this level is breached, the next support level is expected to be found around 10,850. On the other hand, an immediate resistance level is observed at approximately 11,200, followed by 11,250. If successfully penetrated, it would be expected to face the next resistance near 11,350. Traders are advised to closely monitor the strong support level of 10,960 and begin to cautiously buy with the appearance of powerful buying power near it.

## Key price levels

S3	S2	S1	Pivot	R1	R2	R3
10,700	10,850	10,960	11,100	11,200	11,250	11,350



Source: Bloomberg, Argaam

## TASI daily chart



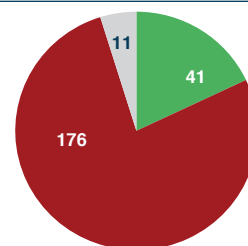
Source: Tradingview, Aljazira Capital

## 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 18<sup>th</sup> Sep 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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