



Major Economic News

- Crown Prince, Prime Minister, and Chairman of Soudah Development launched the masterplan to develop Soudah and parts of Rijal Almaa into Soudah Peaks. The project aims to develop a luxury mountain tourism destination set 3,015 meters above sea level on Saudi Arabia's highest peak. (Source: Argaam)
- Saudization rate in the private sector reached 22.3% by the end of Q2-23. (Source: Argaam)
- Saudi Arabia's exports of chemical and industry-related products fell by 35% Y/Y to nearly SAR 6.31bn in July. Chemicals exports increased by SAR 551.8mn, or 10% M/M. (Source: Argaam)

Major Corporate News

- Bawan Co. signed an agreement to sell its entire stake in Bina Holding for Industrial Investments Co., Bawan's concrete industries segment, to Ahmad Muhammad Al-Osaimi for a total value of SAR 76.7mn. Bawan holds 56.75% of Bina Holding's capital, amounting to SAR 5mn. (Source: Tadawul)
- Al Akaria announced infrastructure packages contracts with Qiddiya Investment Co. (QIC) signed jointly by Saudi Real Estate Infrastructure Co. (BINYAH) and InfraRoad Trading & Contracting LLC, at a total value of SAR 2.29bn. (Source: Tadawul)
- Gulf General Cooperative Insurance Company announces the receipt of final approval of the Saudi Central Bank for the Professional Indemnity Policy Architects and Civil Engineers in KSA. (Source: Tadawul)

Market Analysis

- The Saudi Stock Exchange declined 0.7% to 10,877.9. The value traded stood at SAR 5.4bn (up 7.5% over previous day), while the advance-decline ratio stood at 36/188. The parallel market index declined 0.6% at 22,237.0 points. The value traded stood at SAR 45.7mn (down 27.0% over previous day). Most sectors in the main market ended in red. Pharma and Commercial Services (down 7.4% and 4.6%, respectively) declined the most; Software and Services and Media (up 0.5% and 0.2%, respectively) advanced the most.

Top Gainers

Company	Price	Change%
LUMI	85.80	30.0
ALAKARIA	14.06	9.8
ALBAHA	0.16	6.7
AMIANIT	48.65	6.0
FIRST MILLS	74.70	3.5

Top Losers

Company	Price	Change%
SPIMACO	31.50	-7.4
APC	82.90	-7.1
SALAMA	28.50	-6.7
ALSAGR INSURANCE	21.88	-5.8
CATERING	99.00	-5.5

Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	10,878	11,004	10,878	-0.7	3.8
NomuC	22,237	22,477	22,237	-0.6	14.5

TASI movement during session



TASI Ratios

P/E* (x)	22.27
Price-to-Book (x)	2.15
Dividend Yield (%)	2.81
Return on Equity (%)	22.07

*Source: Argaam (Excluding Aramco)

Index	Close	Daily Change%	YTD %	PE (TTM)
Energy	6,375	-0.4	17.5	16.4
Materials	6,158	-0.6	-2.1	38.9
Capital Goods	7,415	-2.4	41.9	20.6
Commercial Service	4,559	-4.6	32.7	27.9
Transportation	5,499	-2.1	21.1	High
Consumer Durables	4,972	-2.0	17.7	Neg
Consumer Services	4,879	-1.9	32.2	38.6
Media	21,741	0.2	1.1	24.6
Retailing	7,613	-1.2	6.1	22.1
Food & Staples	9,681	-1.0	13.3	19.2
Food & Beverages	5,713	-1.5	23.1	30.4
Healthcare	9,997	-0.9	9.7	41.9
Pharma & Bio Tech	4,156	-7.4	44.6	High
Banks	10,310	-0.5	-10.7	12.5
Diversified Financial	6,714	-0.3	5.6	32.9
Insurance	7,689	-2.0	44.6	23.8
Telecom	7,037	-0.8	10.2	15.1
Utilities	7,995	0.1	11.5	15.8
REITs	3,472	-0.5	-12.7	0
Real Estate	3,092	-0.2	23.7	High
Software & Services	60,937	0.5	69.8	39

Average Index Value

Average days 5	Average days 10	Average days 20	Average value traded for the month (bn)
10,999	11,077	11,235	5.7

Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	5.4	190.12	444.62
Previous week	25.8	887.32	1,921.25

Top Weighted Companies

Company	Price	Change%
Saudi Aramco	33.95	-0.4
Al Rajhi	66.70	-1.9
SNB	32.80	-0.9
SABIC	83.10	0.1
STC	37.65	-0.9



International Market News

- According to an economist, it could take up to a decade to fix the Chinese real estate market. As real estate giants Evergrande and Country Garden continue to struggle with debt, China's real estate industry has been challenged by waning consumer confidence in these businesses. (Source: CNBC)
- Outbound travel from China is rising ahead of the first "Golden Week" holiday period since the country has resumed international travel and even as China's economic growth has slowed. Bookings for popular international destinations have surged almost 20 times Y/Y, according to a travel provider. (Source: CNBC)
- The Federal Reserve's ongoing struggle to reach its 2% target inflation rate has been further complicated by rising car prices and energy costs. The current economic situation poses significant challenges for the control of inflation in the near term. (Source: Investing)
- A U.S. government shutdown could hamper the country's credit, according to rating agency Moody's. This stern warning comes one month after Fitch downgraded the U.S. by one notch on the back of a debt ceiling crisis. (Source: Investing)
- Oil prices dropped due to concerns that fuel demand will be cramped by major central banks holding interest rates higher for longer.
- Gold lowered as investors await a key consumer inflation report for more cues on interest rate hikes.

Forex / Currency

Currency / USD	Close	Daily Change%	MTD %	YTD %
Dollar Index	106.0	0.4	2.3	2.4
Euro	1.1	-0.6	-2.3	-1.0
Japanese Yen	148.9	0.3	2.3	13.5
Sterling Pound	1.2	-0.2	-3.6	1.1
Chinese Yuan	7.3	0.2	0.6	5.7
Indian Rupee	83.1	0.3	0.4	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	-0.1	24.8

Corporate Calendar

Date	Company	Event
26 th Sep	HCC	Cash Dividend Distribution
26 th Sep	UMI	Start of IPO offering
26 th Sep	ADES Holding	Start of IPO offering
27 th Sep	Saudi Aramco	Cash Dividend Distribution
27 th Sep	FADECO	Eligibility for Cash Dividend
28 th Sep	ALBATABAIN	Ex-bonus Date

*EGM: Extra Ordinary Meeting

*OGM: Ordinary General Meeting

Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	4,182	0.3	2.4	25.4	9.6
Abu Dhabi (ADX)	9,837	-0.1	0.3	-3.7	31.9
Kuwait (KSE)	7,491	0.4	-2.7	-7.7	17.8
Qatar (QE)	10,268	-0.2	0.7	-3.9	12.9
Oman (MSM)	4,665	-0.3	-2.8	-4.0	12.9
Bahrain (BSE)	1,935	0.2	-0.9	2.1	7.3
Egypt (EGX30)	20,321	0.5	7.7	39.2	9.8

International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	34,007	0.1	-2.1	2.6	20.4
Nasdaq	14,769	0.5	-4.7	35.0	31.3
S&P 500	4,337	0.4	-3.8	13.0	21.2
FTSE 100	7,624	-0.8	2.5	2.3	10.9
Germany DAX 30	15,405	-1.0	-3.4	10.6	12.1
France CAC 40	7,124	-0.8	-2.6	10.0	12.3
Japan Nikkei 225	32,679	0.9	0.2	25.2	26.0
Russia MOEX	3,045	-0.1	-5.7	41.4	2.6
Hong Kong Hang Seng	17,729	-1.8	-3.6	-10.4	10.0
South Korea KOSPI	2,496	-0.5	-2.4	11.6	17.7
China Shanghai Composite	3,116	-0.5	-0.1	0.9	13.9
Australia ASX 200	7,077	0.1	-3.1	0.5	15.7
India Sensex	66,024	0.0	1.8	8.5	23.1
MSCI EM	957	-0.7	-2.3	0.1	13.9
MSCI World	2,880	-0.0	-3.6	10.6	18.4

Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	97.4	-0.7	7.6	15.6
Brent Crude (\$/bbl)	93.3	0.0	7.4	8.6
Texas crude (\$/bbl)	89.7	-0.4	7.2	11.7
Natural Gas (\$/mmbtu)	2.6	0.1	-4.7	-36.8
Gold (\$/oz)	1,915.9	-0.5	-1.3	5.0
Silver (\$/oz)	23.1	-1.8	-5.3	-3.4
Steel (\$/ton)	705.0	0.0	-3.3	-5.2
Iron Ore (CNY/MT)	939.0	-0.5	2.5	9.6
Wheat (\$/bu)	589.0	1.6	-2.2	-28.2
Corn (\$/bu)	481.3	0.8	0.6	-21.2
Sugar (\$/lb)	26.6	-2.6	4.5	48.4
SMP* (EUR/MT)	2,260.0	-0.1	2.3	-18.6

*SMP: Skimmed Milk Powder

Interbank Rates

Region	Rate*	Daily Change(bps)	MTD (bps)	YTD (bps)
KSA (SAIBOR 1M)	5.862	-4.40	0.3	113.2
KSA (SAIBOR 3M)	6.170	-1.20	1.9	82.9
KSA (SAIBOR 6M)	6.092	1.82	-1.3	49.4
KSA (SAIBOR 12M)	6.128	2.13	4.6	25.9
USA (SOFR 3M)	5.391	-0.87	-1.0	80.4
UAE (EIBOR 3M)	5.324	20.69	6.9	101.5

Data Sources: Tadawul, Bloomberg, Reuters
Closes as of September 25, 2023

Technical observations	
Index	TASI
Ticker	SASEIDX Index
Last Close	10,878
Short-term view	Cautious
52 weeks high/low	12,100 – 9,931

Market data	
Exchange Market Cap. (SAR bn)	11,115.9
Value (SAR mn)	5,372.1
Volume (mn)	190.1
Number of Transactions	444,621
Market Breadth	36 : 188

Key statistics	
1D return %	-0.65%
MTD return %	-5.34%
QTD return	-5.07%
YTD return	3.81%
ADT vol. 3M* (mn)	233.6
ADT val. 3M (SARmn)	5,942.9

*ADT stands for Average Daily Traded

TASI market commentary

- TASI witnessed a decline on Monday which was led by index heavyweights Telecommunication services (-0.76% D/D) and Materials (-0.62% D/D) sectors. At close, the Saudi market ended the day with a change of -0.65% at 10,878. In terms of activity, total volumes and value traded were ~190mn and ~SAR 5.4bn, respectively. The advance-decline ratio came in at 36/188.

Technical outlook

- TASI closed near 10,878, registering a loss of 72 points. The index initially demonstrated a strong rebound at the beginning of the session. However, selling pressure resurfaced and drove the index lower, resulting in a breach of the 50% Fibonacci retracement level of the preceding long-term uptrend and the 200-day SMA. Moreover, the RSI indicator continued moving lower reflecting the weakness of the index. TASI currently has an immediate resistance level of around 10,970. If successfully penetrated, the index would face the subsequent resistance levels near 11,075 followed by 11,150. On the other hand, immediate support is observed near 10,850. If this level is breached, the subsequent support level is expected to be found near 10,700, where buying power may resurface. Traders are advised to exercise caution as long as the index stays below its 200-day SMA around 10,970. Besides, it is advisable to wait for a clear candlesticks reversal pattern or for the index to reach the 61.8% Fibonacci retracement level of the preceding long-term uptrend near 10,700 where a potential buying opportunity may be found.

Key price levels						
S3	S2	S1	Pivot	R1	R2	R3
10,550	10,700	10,850	10,970	11,075	11,150	11,235



Source: Bloomberg, Argam

TASI daily chart

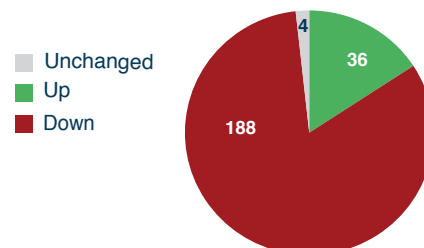


Source: Tradingview, Aljazira Capital

Our view



Market depth



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 25th 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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