



Major Economic News

- Saudi Arabia's revenues for FY24 are estimated at SAR 1.17tn, with a forecast expenditure of SAR 1.25tn, indicating an expected deficit of up to SAR 79.0bn. The revenues and expenditure for FY23 are expected to reach SAR 1.18tn and SAR 1.26tn, respectively, with a deficit of SAR 82.0bn. (Source: Argaam)
- The Ministry of Finance expected, in its Pre-Budget Statement 2024, real GDP to grow by 0.03% in FY23, driven by the non-oil GDP that is forecast to grow by 5.9%. Real GDP is projected to grow by 4.4% in 2024, driven by non-oil GDP growth. (Source: Argaam)
- Assets held by the SAMA fell by SAR 24bn M/M to SAR 1.76tn in August. When compared Y/Y, SAMA's assets declined by around SAR 229.2 bn. (Source: Argaam)
- The unemployment rate among Saudis declined to 8.3% in Q2-23 vs 8.5% in Q1-23. The employment-to-population ratio of Saudis declined to 47.4% on a quarterly basis in Q2-23. (Source: Argaam)

Major Corporate News

- Saudi Aramco signed definitive agreements to acquire a strategic minority stake in MidOcean Energy for USD 500mn. This strategic partnership marks Aramco's first international investment in LNG. (Source: Argaam)
- United Cooperative Assurance Co. mentioned that the recent insurance coverage contract signed with Saudi BinLadin Group is valued at SAR 45.97mn. The contract is expected to reflect positively on 2023 financials. (Source: Tadawul)

Market Analysis

- The Saudi Stock Exchange declined 0.2% to 11,056.0. The value traded stood at SAR 6.3bn (up 8.1% over previous day), while the advance-decline ratio stood at 98/114. The parallel market index increased 0.3% at 22,690.3 points. The value traded stood at SAR 34.9mn (up 4.6% over previous day). Sector performances in the main market were mixed. Pharma and Media (up 5.5% and 3.7%, respectively) advanced the most; while Food & Beverages and Food & Staples (down 1.7% and 1.0%, respectively) declined the most.

Top Gainers

Company	Price	Change%
ATHEEB TELECOM	128.00	10.0
TAWUNIYA	126.00	6.1
SPIMACO	35.30	5.5
LUMI	88.20	5.5
SRMG	164.40	5.4

Top Losers

Company	Price	Change%
SINAD HOLDING	11.74	-3.6
ALMUNAJEM	70.20	-3.0
NADEC	47.50	-2.8
NAQI	68.30	-2.4
SABIC AGRI-NUTRIENTS	133.00	-2.2

Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	11,056	11,146	11,050	-0.2	5.5
NomuC	22,690	22,787	22,458	0.3	16.9

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	6,566	0.4	21.0	16.9
Materials	6,215	-0.1	-1.2	39.3
Capital Goods	7,547	-0.7	44.4	21.1
Commercial Service	4,682	0.3	36.3	28.6
Transportation	5,550	0.3	22.2	High
Consumer Durables	4,976	0.1	17.8	Neg
Consumer Services	4,942	-0.4	33.9	39.0
Media	22,884	3.7	6.5	26.0
Retailing	7,789	0.8	8.6	22.6
Food & Staples	9,708	-1.0	13.7	19.3
Food & Beverages	5,820	-1.7	25.4	31.0
Healthcare	10,267	0.6	12.7	43.1
Pharma & Bio Tech	4,657	5.5	62.1	High
Banks	10,373	-0.7	-10.1	12.5
Diversified Financial	6,821	-0.3	7.2	33.2
Insurance	8,194	3.5	54.1	25.4
Telecom	7,117	-0.8	11.4	15.2
Utilities	8,168	-0.5	13.9	16.0
REITs	3,495	0.5	-12.1	0.0
Real Estate	3,111	-0.4	24.4	High
Software & Services	64,885	0.0	80.8	41.7

Average Index Value

Average days 5	Average days 10	Average days 20	Average value traded for the month (bn)
10,976	11,031	11,164	5.7

Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	23.7	779.69	1,776.91
Previous week	25.8	887.32	1,921.25

Top Weighted Companies

Company	Price	Change%
Saudi Aramco	35.00	0.4
Al Rajhi	67.90	-1.2
SNB	32.80	-0.3
SABIC	82.50	0.0
STC	37.60	-1.1



International Market News

- According to Baker Hughes, North America's rig count decreased to 814 in the week ended September 29 from 820 earlier. The rig count fell to 623 in the US from 630 earlier, while it rose to 18 in the Gulf of Mexico from 17. The rig count in Canada increased to 191 from 190 earlier. (Source: Baker Hughes)
- US personal income rose 0.4% in August (in line with consensus) compared to a gain of 0.2% in July. Disposable personal income or personal income less personal current taxes, increased 0.2% in August after coming in unchanged in July. Personal spending also increased by 0.4% in August compared to an upwardly revised 0.9% growth in July. (Source: RTT News)
- US initial jobless claims increased to 204,000 (consensus: 215,000) in the week ended September 23, representing a rise of 2,000 from the previous week's revised level of 202,000. (Source: RTT News)
- Eurozone inflation eased sharply to 4.3% in September (consensus: 4.5%) from 5.2% in August. The rate was the lowest since October 2021, when inflation stood at 4.1%. (Source: RTT News)
- Oil prices fell 0.1% on Friday due to global economic concerns and profit booking.
- Gold fell 0.9%, continued to be weighed down by anticipation of the US Fed keeping interest rates higher for the longer period.

Forex / Currency

Currency / USD	Close	Daily Change%	MTD %	YTD %
Dollar Index	106.17	0.0	0.0	2.6
Euro	1.06	0.1	0.0	-1.2
Japanese Yen	149.37	0.0	0.0	13.9
Sterling Pound	1.22	0.0	0.0	1.0
Chinese Yuan	7.29	0.0	0.0	5.4
Indian Rupee	83.04	-0.2	0.0	0.4
UAE Dirham	3.67	0.0	0.0	0.0
Qatari Rial	3.65	0.0	0.0	-0.6
Kuwaiti Dinar	0.31	-0.1	0.0	0.9
Omani Rial	0.38	0.0	0.0	0.0
Bahraini Dinar	0.38	0.0	0.0	0.0
Egyptian Pound	30.90	0.0	0.0	24.8

Corporate Calendar

Date	Company	Event
1 st Oct	LUBEREF	Eligibility for Cash Dividend
1 st Oct	Riyal Investment & Development	Subscription
1 st Oct	Clean Life	Start of IPO
1 st Oct	Kingdom	Eligibility for Cash Dividend
1 st Oct	SAL	End of IPO book-building process
2 nd Oct	SABIC	Cash Dividend Distribution

*EGM: Extra Ordinary Meeting

*OGM: Ordinary General Meeting

Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	4,164	0.5	0.0	24.8	9.5
Abu Dhabi (ADX)	9,785	-0.3	0.0	-4.2	31.7
Kuwait (KSE)	7,521	0.0	0.0	-7.3	17.9
Qatar (QE)	10,252	-0.1	0.0	-4.0	12.8
Oman (MSM)	4,678	0.0	0.0	-3.7	12.9
Bahrain (BSE)	1,939	0.1	0.0	2.3	7.3
Egypt (EGX30)	20,174	0.0	0.0	38.2	9.8

International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	33,508	-0.5	0.0	1.1	20.1
Nasdaq	14,715	0.1	0.0	34.5	31.2
S&P 500	4,288	-0.3	0.0	11.7	21.0
FTSE 100	7,608	0.1	0.0	2.1	11.0
Germany DAX 30	15,387	0.4	0.0	10.5	12.1
France CAC 40	7,135	0.3	0.0	10.2	12.3
Japan Nikkei 225	31,858	0.0	0.0	22.1	25.4
Russia MOEX	3,133	0.8	0.0	45.5	2.6
Hong Kong Hang Seng	17,810	2.5	0.0	-10.0	9.9
South Korea KOSPI	2,465	0.0	0.0	10.2	17.4
China Shanghai Composite	3,110	0.0	0.0	0.7	14.1
Australia ASX 200	7,049	0.3	0.0	0.1	15.7
India Sensex	65,828	0.5	0.0	8.2	23.0
MSCI EM	953	0.9	0.0	-0.4	13.7
MSCI World	2,853	-0.1	0.0	9.6	18.2

Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	96.96	-0.7	0.0	15.1
Brent Crude (\$/bbl)	95.31	-0.1	0.0	10.9
Texas crude (\$/bbl)	90.79	-1.0	0.0	13.1
Natural Gas (\$/mmbtu)	2.93	-0.5	0.0	-34.7
Gold (\$/oz)	1,848.63	-0.9	0.0	1.3
Silver (\$/oz)	22.18	-2.0	0.0	-7.4
Steel (\$/ton)	704.00	-1.5	0.0	-5.4
Iron Ore (CNY/MT)	930.50	0.0	0.0	8.6
Wheat (\$/bu)	541.50	-6.4	0.0	-34.0
Corn (\$/bu)	476.75	-2.4	0.0	-21.9
Sugar (\$/lb)	26.48	-1.8	0.0	47.9
SMP* (EUR/MT)	2,425.00	0.7	0.0	-12.6

*SMP: Skimmed Milk Powder

Interbank Rates

Region	Rate*	Daily Change(bps)	MTD (bps)	YTD (bps)
KSA (SAIBOR 1M)	5.90	0.7	0.0	116.9
KSA (SAIBOR 3M)	6.17	-5.5	0.0	83.0
KSA (SAIBOR 6M)	6.17	7.4	0.0	57.4
KSA (SAIBOR 12M)	6.17	0.7	0.0	29.8
USA (SOFR 3M)	5.40	0.1	0.0	80.8
UAE (EIBOR 3M)	5.29	6.2	0.0	97.6

Data Sources: Tadawul, Bloomberg, Reuters
Closes as of September 29, 2023



Technical observations	
Index	TASI
Ticker	SASEIDX Index
Last Close	11,056
Short-term view	Buy
52 weeks high/low	12,100 – 9,931

Market data	
Exchange Market Cap. (SAR bn)	11,408.7
Value (SAR mn)	6,264.1
Volume (mn)	181.1
Number of Transactions	443,251
Market Breadth	98 : 114

Key statistics	
1D return %	-0.19%
MTD return %	-3.79%
QTD return	-3.52%
YTD return	5.51%
ADT vol. 3M* (mn)	230.0
ADT val. 3M (SARmn)	5,867.2

*ADT stands for Average Daily Traded

TASI market commentary

- TASI witnessed a decline on Thursday which was led by index heavyweights Telecommunication services (-0.75% D/D) and Banks (-0.72% D/D) sectors. At close, the Saudi market ended the day with a change of -0.19% at 11,056. In terms of activity, total volumes and value traded were ~181mn and ~SAR 6.3bn, respectively. The advance-decline ratio came in at 98/114.

Technical outlook

- TASI closed near 11,056, registering a loss of 21 points. Following the penetration of the 10-day SMA and the upper boundary of the short-term declining channel, the index encountered a normal profit-taking attitude before resuming its upward movement. Moreover, the RSI indicator is still showing a positive structure after penetrating a declining trendline. TASI currently has an immediate resistance level near 11,100. If successfully penetrated, it would face following resistance levels near 11,200 then 11,300. Conversely, immediate support is observed near 11,030, followed by 10,970. If this level is breached, the subsequent support level would be found near 10,850. TASI experiences a normal profit-taking action within the prevailing buying sentiment which may persist and drive it toward the upper boundary of the medium-term declining channel near 11,300 as long as the index remains above the crucial support zone of 10,970 – 10,850 near the 200-day SMA. Traders are advised to buy as long as the index maintains above the support zone mentioned above and remains attentive to the significant resistance zone of 11,200 – 11,300.

Key price levels

S3	S2	S1	Pivot	R1	R2	R3
10,700	10,850	10,970	11,030	11,100	11,200	11,300



Source: Bloomberg, Argam

TASI daily chart



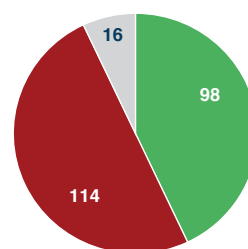
Source: Tradingview, Aljazira Capital

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
1810	Seera Group Holding	25.35	25.35 – 25.10	25.70	26.25	3.55%	24.80

* As of 28th September 2023

* Note – Stop loss is based on a closing basis and not an intraday basis

CHARTS OF THE WEEK

Technical observations

SEERA started to bounce off its 200-day EMA as well as the lower boundary of a medium-term declining channel. Moreover, the RSI indicator is showing a positive structure suggesting a bullish rebound in the price action. We recommend buying the stock in a range of SAR25.35 – 25.10, for a target of SAR25.70 followed by SAR26.25, with a stop loss below SAR24.80 on a closing basis.

Seera Group Holding (SEERA)



Source: Tradingview, Aljazira Capital

SAUDI MARKET - TOP PICKS FOR THE DAY

Code	Company	Close*	Buy range	Sell range	Stop loss
4292	Ataa Educational Co.	72.00	72.00 – 71.80	73.00 – 72.70	71.30
4050	Saudi Automotive Services Co.	65.00	65.00 – 64.80	65.90 – 65.60	64.30
6020	Al Gassim Investment Holding Co.	18.82	18.82 – 18.76	19.20 – 19.00	18.60
8010	The Company for Cooperative Insurance	126.00	126.00 – 125.80	128.00 – 127.20	124.60
7040	Etihad Atheeb Telecommunication Company	128.00	128.00 – 127.60	131.60 – 129.20	126.60
3003	City Cement Co.	18.56	18.56 - 18.52	18.84 – 18.74	18.36
8030	The Mediterranean and Gulf Insurance and Reinsurance Co.	13.52	13.52 – 13.48	13.72 – 13.66	13.38

* As of 28th Sep 2023

* Note – Stop loss is based on an intraday basis

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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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