

QNBFS Technical Spotlight

Tuesday, December 22, 2020

Contents

Saudi Market (TADAWUL)	2
Boursa Kuwait	3
Abu Dhabi Exchange	4
Dubai Financial Market.....	5
Definitions	6
Contacts	7

Related Links

[QNBFS Home Page](#)

[QNBFS Trading Portal](#)

[QNBFS Research Page](#)

Saudi Market (TADAWUL)

TADAWUL ALL-SHARE INDEX – DAILY CHART



TASI Index

	Level	% Δ	Volume*
Last	8,686.89	(0.28)	365,916,683

*Volume of Index Constituents

Resistance/Support Levels

Levels	1 st	2 nd	3 rd
Resistance	8,800	9,000	9,200
Support	8,600	8,400	8,200

Index Overview:

The trend has been up, but we are seeing negative divergence between the Index and the RSI's move. The mentioned divergence suggests a possible correction from here.

National Commercial Bank – DAILY CHART



Stock's Vitals

	Last Px. (SAR)	% Δ	Volume
Last	42.650	0.12	2,516,833

Resistance/Support Levels

Levels	1 st	2 nd	3 rd
Resistance	42.90	44.30	47.60
Support	42.00	41.00	40.00

Stock Overview:

The price has created a flag formation; it is a bullish continuation pattern. However, the pattern needs to be confirmed with a price breakout above that formation.

- **Expected Target Price: 44.30 – 47.60**
- **BUY Trigger: a price breakout above 42.90**
- **Suggested Stop-Loss Price: Discretionary**

Boursa Kuwait

KWSE PREMIER MARKET – DAILY CHART



KSE Index

	Level	% Δ	Volume*
Last	6,158.97	(0.28)	45,945,100

*Volume of Index Constituents

Resistance/Support Levels

Levels	1 st	2 nd	3 rd
Resistance	6,200	6,500	6,700
Support	6,000	5,800	5,600

Index Overview:

The Index has been coiling inside a symmetrical triangle formation; this formation has been created above the moving averages, which could have a positive impact on the Index once the formation is confirmed with a breakout.

Boubyan Bank – DAILY CHART



Stock's Vitals

	Last Px. (KWd)	% Δ	Volume
Last	625.00	1.13	582,491

Resistance/Support Levels

Levels	1 st	2 nd	3 rd
Resistance	625.00	688.00	790.00
Support	600.00	580.00	570.00

Stock Overview:

The trend has been up but and the moving averages are crossing positively. However, the price needs to move above the 61.8% Fibonacci level to continue with its uptrend.

- **Expected Target Price: 688.00 – 790.00**
- **BUY Trigger: a price breakout above 625.00**
- **Suggested Stop-Loss Price: Discretionary**

Abu Dhabi Exchange

ADX GENERAL INDEX – DAILY CHART



ADX Index

	Level	% Δ	Volume*
Last	5,073.16	(0.79)	148,836,770

*Volume of Index Constituents

Resistance/Support Levels

Levels	1 st	2 nd	3 rd
Resistance	5,100	5,200	5,300
Support	5,000	4,900	4,800

Index Overview:

The Index has been moving in its uptrend and about to test this year's peak. It should be noted that the RSI has reached the overbought area, which means a correction will possibly take place.

RAK Ceramics – DAILY CHART



Stock's Vitals

	Last Px. (AED)	% Δ	Volume
Last	1.460	(3.95)	1,583,881

Resistance/Support Levels

Levels	1 st	2 nd	3 rd
Resistance	1.49	1.62	1.70
Support	1.41	1.33	1.24

Stock Overview:

The price has been moving above its moving averages, and in the process of creating a possible bullish reversal pattern in the longer term.

- **Expected Target Price: 1.62 – 1.70**
- **BUY Trigger: a price breakout above 1.49**
- **Suggested Stop-Loss Price: Discretionary**

Dubai Financial Market

DFM GENERAL INDEX – DAILY CHART



DFMGI Index

	Level	% Δ	Volume*
Last	2,460.77	(3.85)	291,685,775

*Volume of Index Constituents

Resistance/Support Levels

Levels	1 st	2 nd	3 rd
Resistance	2,500	2,600	2,700
Support	2,400	2,300	2,200

Index Overview:

The Index has been in an uptrend and respecting the uptrend channel. However, the RSI reached the overbought area while the Index is testing the upper side of the bullish channel. We are expecting a correction from here.

Gulf Navigation Holding – DAILY CHART



Stock's Vitals

	Last Px. (AED)	% Δ	Volume
Last	0.411	(4.86)	3,206,393

Resistance/Support Levels

Levels	1 st	2 nd	3 rd
Resistance	0.464	0.487	0.512
Support	0.423	0.400	0.390

Stock Overview:

The price is expected to correct as it moves below its moving averages. However, if the price retracts and moves above the recent high, it means momentum have reversed to the upside.

- **Expected Target Price: 0.487 – 0.512**
- **BUY Trigger: a price breakout above 0.464**
- **Suggested Stop-Loss Price: Discretionary**

Definitions

Candlestick: A chart that displays the high, low, opening and closing prices for a security in a single period. The body of the candle is made up by the opening and the closing prices, i.e., the taller the body the greater the range between these two prices and vice versa. A colored candle denotes a closing price that is lower than the opening price, while a white candle shows the opposite. The candlestick's shadows or wicks show the period's high and low prices and how they compare to the opening and closing price. In general, the shape of the candle will vary upon the positions of the period's high, low, opening and closing prices.

Support: A level that could cause more buyers to step in in order to prevent the security from falling or causing the security price to head higher.

Resistance: An inverse of a support level. A resistance area or level could cause more sellers to step in in order to prevent the security from rising or causing the security price to head lower.

SMA (Simple Moving Average): Is an arithmetic average, which calculates the average price of a security over a defined number of periods and is thus considered a lagging indicator. SMAs used in our analysis refer to closing prices. In general, SMAs serve many purposes, such as a smoothing tool, an indicative price direction and potential support/resistance levels.

Market Breadth: Breadth indicates the number of securities that have closed higher vs. the number of decliners in a particular exchange.

MACD (Moving Average Convergence/Divergence): Is a trading indicator, which 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 price data.

RSI (Relative Strength Index): Is a momentum indicator that compares a security's price gains to its losses for a predetermined number of periods (we generally use 14 periods). The RSI attempts to point out how a security, in relative terms, is in the overbought/oversold zone. Securities with a RSI above 70 could be considered as overbought, and below 30 could be considered as oversold.

Pattern/Formation: Is a graphical presentation of a security's price activity over a certain period of time. Formations come in different shapes (such as, head & shoulders, triangles, flags, and so on). They can be used to identify potential trends, reversal of trends, price targets, entry and exit points, etc.

Fibonacci Retracements: Are horizontal lines that indicate expected areas of support/resistance for a security based on a predetermined price movement. These levels are usually indicated by Fibonacci ratios of 23.6%, 38.2%, 50.0%, 61.8% and 100% from that particular movement.

Fibonacci Pivot and Intraday Support/Resistance: A Pivot Point is generally used to formulate expected future support/resistance levels. From the base Pivot Point, Fibonacci multiples of the high-low differential are added to form resistance levels and subtracted to form support levels.

Contacts

Zaid al-Nafoosi, CMT, CFTE
Senior Research Analyst
Tel: (+974) 4476 6535
zaid.alnafoosi@qnbfs.com.qa

Shahan Keushgerian
Senior Research Analyst
Tel: (+974) 4476 6509
shahan.keushgerian@qnbfs.com.qa

Mehmet Aksoy, PhD
Senior Research Analyst
Tel: (+974) 4476 6589
mehmet.aksoy@qnbfs.com.qa

Saugata Sarkar, CFA, CAIA
Head of Research
Tel: (+974) 4476 6534
saugata.sarkar@qnbfs.com.qa

Ahmed El-Khudary
Head of Trading
Tel: (+974) 4476 6533
ahmed.elkhudary@qnbfs.com.qa

Feras al-Sarraj
Head of Sales
Tel: (+974) 4476 6514
feras.alsarraj@qnbfs.com.qa

QNB Financial Services
Contact Center: (+974) 4476 6666
PO Box 24025
Doha, Qatar

Sources: Bloomberg, QNBFS Research

Disclaimer and Copyright Notice: This publication has been prepared by QNB Financial Services Co. W.L.L. (“QNBFS”) a wholly-owned subsidiary of Qatar National Bank (Q.P.S.C.) (“QNB”). QNBFS is regulated by the Qatar Financial Markets Authority and the Qatar Exchange QNB SAQ is regulated by the Qatar Central Bank. This publication expresses the views and opinions of QNBFS at a given time only. It is not an offer, promotion or recommendation to buy or sell securities or other investments, nor is it intended to constitute legal, tax, accounting, or financial advice. QNBFS accepts no liability whatsoever for any direct or indirect losses arising from use of this report. Any investment decision should depend on the individual circumstances of the investor and be based on specifically engaged investment advice. We therefore strongly advise potential investors to seek independent professional advice before making any investment decision. Although the information in this report has been obtained from sources that QNBFS believes to be reliable, we have not independently verified such information and it may not be accurate or complete. QNBFS does not make any representations or warranties as to the accuracy and completeness of the information it may contain, and declines any liability in that respect. For reports dealing with Technical Analysis, expressed opinions and/or recommendations may be different or contrary to the opinions/recommendations of QNBFS Fundamental Research as a result of depending solely on the historical technical data (price and volume). QNBFS reserves the right to amend the views and opinions expressed in this publication at any time. It may also express viewpoints or make investment decisions that differ significantly from, or even contradict, the views and opinions included in this report. This report may not be reproduced in whole or in part without permission from QNBFS.