

QNBFS Technical Spotlight

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Saudi Market (TADAWUL)



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

Index Overview:

We continue to be bullish on the Index but volatility and corrections may take place. The Index has been moving inside the three-year-high levels, which is positive, but has reached the overbought area.



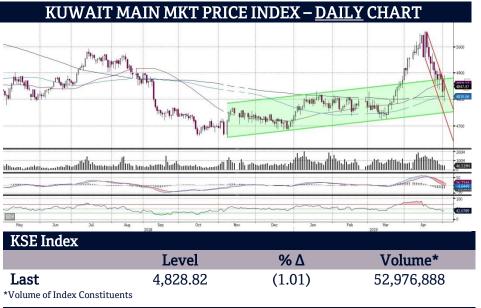
Resistance/Support Levels				
Levels	1 st	2 nd	3 rd	
Resistance	31.30	32.90	34.30	
Support	29.00	28.00	27.00	

Stock Overview:

The trend has been up and the price reached its 52-week-high. We expect further advance.

- Expected Target Price: 32.90 34.30
- Trigger: A breakout above 31.30
- Suggested Stop-Loss Price: Discretionary

Boursa Kuwait



Resistance/Support Levels				
Levels	1 st	2 nd	3 rd	
Resistance	5,000	5,100	5,200	
Support	4,900	4,800	4,700	

Index Overview:

The recent correction has been losing momentum, suggesting a bounce from the current levels could be expected.



	Last Px. (KWd)	%Δ	volume
Last	84.70	2.05	479,038

Resistance/Support Levels				
Levels	1 st	2 nd	3 rd	
Resistance	84.70	90.00	108.00	
Support	71.00	64.00	60.00	

Stock Overview:

The price has created a symmetrical-triangle formation; it is a bullish continuation pattern created over the price's SMAs.

- Expected Target Price: 90.00 108.00
- Trigger: A breakout above 84.70
- Suggested Stop-Loss Price: Discretionary

Abu Dhabi Exchange



Resistance/Support Levels				
Levels	1 st	2 nd	3 rd	
Resistance	5,500	5,750	6,000	
Support	5,350	5,250	5,150	

Index Overview:

The General Index reached its 13-year-high levels; expect the trend to continue up accompanied with high volatility.



Resistance/Support Levels				
Levels	1 st	2 nd	3 rd	
Resistance	4.50	4.65	4.85	
Support	4.40	4.20	4.00	

Stock Overview:

This is a longer-term outlook on the name. The price has been stabilizing over the past two quarters; we expect longer term continuation upwards. One risk to realize is the lack of trading volumes.

- Expected Target Price: 4.65 4.85
- Trigger: A breakout above 4.50
- Suggested Stop-Loss Price: Discretionary

Dubai Financial Market



Resistance/Support Levels				
Levels	1 st	2 nd	3 rd	
Resistance	2,900	3,000	3,100	
Support	2,800	2,700	2,600	

Index Overview:

The Index managed to breakout above the downtrend channel's upper side but it could see some correction caused by profit-booking after the recent rally.



Resistance/Support Levels				
Levels	1 st	2 nd	3 rd	
Resistance	4.80	4.90	5.20	
Support	4.64	4.46	4.40	

Stock Overview:

The price has created a bullish-continuation flag; a breakout above that formation triggers the buy-trade idea.

- Expected Target Price: 4.90 5.20
- Trigger: A breakout above 4.80
- 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.

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