

QNBFS Technical Spotlight

Sunday, October 18, 2020

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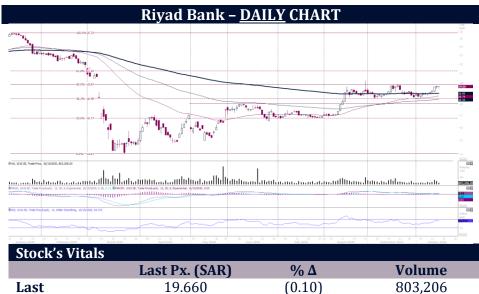
Saudi Market (TADAWUL)



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

Index Overview:

The trend has been up, but is expected to correct after seeing a bearish reversal candlestick formation which has formed over the past week.



Resistance/Support Levels				
Levels	1 st	2 nd	3rd	
Resistance	19.90	20.40	21.20	
Support	19.20	18.60	18.40	

Stock Overview:

The price has bounced above its major moving averages and the price is expected to continue in the uptrend once it moves above the most recent peaks.

- Expected Target Price: 20.40 21.20
- BUY Trigger: a price breakout above 19.90
- Suggested Stop-Loss Price: Discretionary

Boursa Kuwait



Resistance/Support Levels				
Levels	1 st	2 nd	3rd	
Resistance	6,500	6,700	6,850	
Support	6,200	6,000	5,800	

Index Overview:

The Index reached its 61.8% of the previous dip in the first quarter of this year. We may see a correction from here.



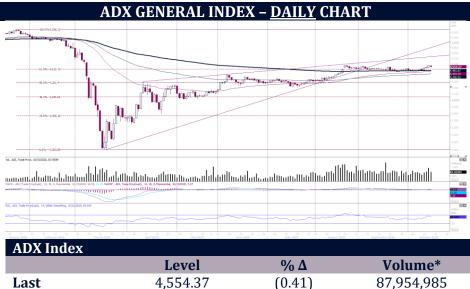
Resistance/Support Levels				
Levels	1 st	2 nd	3rd	
Resistance	245.00	262.00	272.00	
Support	236.00	230.00	215.00	

Stock Overview:

The trend has been up and there is a good chance for the continuation of that trend. The price has been moving above its moving averages and the MACD is above the zero line.

- Expected Target Price: 262.00 272.00
- BUY Trigger: a price breakout above 245.00
- Suggested Stop-Loss Price: Discretionary

Abu Dhabi Exchange



*Volume of Index Constituents

Resistance/Support Levels				
Levels	1 st	2 nd	3rd	
Resistance	4,600	4,700	4,800	
Support	4,500	4,300	4,200	

Index Overview:

The Index is expected to correct as it started to breach below the rising wedge formation, which is a bearish formation.



Resistance/Support Levels				
Levels	1 st	2 nd	3rd	
Resistance	2.11	2.28	2.46	
Support	2.02	2.00	1.90	

Stock Overview:

Last

The price has created a flag formation; it is a bullish continuation pattern once the price moves above the defined resistance level.

- Expected Target Price: 2.28 2.46 •
- BUY Trigger: a price breakout above 2.11 •
- **Suggested Stop-Loss Price: Discretionary** .

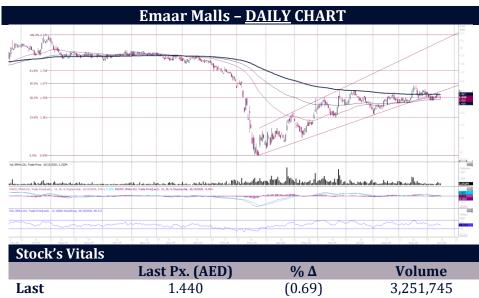
Dubai Financial Market



Resistance/Support Levels				
Levels	1 st	2 nd	3rd	
Resistance	2,300	2,400	2,500	
Support	2,200	2,100	2,000	

Index Overview:

The Index is testing its 200 moving average and starting to penetrate below that level. Successful breach means correction is expected on the Index.



Resistance/Support Levels				
Levels	1 st	2 nd	3rd	
Resistance	1.47	1.56	1.65	
Support	1.41	1.38	1.33	

Stock Overview:

The price is testing its moving averages while bouncing off the uptrend line.

- Expected Target Price: 1.56 1.65
- BUY Trigger: a price breakout above 1.47
- 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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