

QNBFS Technical Spotlight

Wednesday, August 21, 2019

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	8,589.75	0.28	99,369,153

*Volume of Index Constituents

Resistance/Support Levels

Levels	1 st	2 nd	3 rd
Resistance	8,700	9,000	9,400
Support	8,200	8,000	7,500

Index Overview:

The Index is testing its 200SMA support level; failure to hold around that support means further decline is expected.

SAUDI ELECTRICITY CO – DAILY CHART



Stock's Vitals

	Last Px. (SAR)	% Δ	Volume
Last	21.00	1.65	1,689,502

Resistance/Support Levels

Levels	1 st	2 nd	3 rd
Resistance	21.00	22.10	22.80
Support	20.00	19.00	18.00

Stock Overview:

The trend has been trending up and the price closed above its 52-week-high, which suggests further upside is possible.

- **Expected Target Price: 22.10 – 22.80**
- **Trigger: A breakout above 21.00**
- **Suggested Stop-Loss Price: Discretionary**

Boursa Kuwait

KWSE PREMIER MARKET – DAILY CHART



KSE Index

	Level	% Δ	Volume*
Last	6,642.55	0.55	40,059,288

*Volume of Index Constituents

Resistance/Support Levels

Levels	1 st	2 nd	3 rd
Resistance	6,800	6,900	7,000
Support	6,700	6,600	6,500

Index Overview:

The main trend remains. The Index, however, has created a double-top formation (a bearish reversal pattern). Expect weakness to unfold.

MABANEE CO SAKC – DAILY CHART



Stock's Vitals

	Last Px. (KWd)	% Δ	Volume
Last	791.00	(0.25)	920,202

Resistance/Support Levels

Levels	1 st	2 nd	3 rd
Resistance	800.00	815.00	900.00
Support	782.00	741.00	705.00

Stock Overview:

The trend has been up but shows weakness as the RSI and the MACD show signs of negative divergence. We expect weakness if a critical level is breached downwards (the below mentioned trigger).

- **Expected Target Price: 741.00 – 705.00**
- **Trigger: A BREACH BELOW 782.00**
- **Suggested Stop-Loss Price: Discretionary**

Abu Dhabi Exchange

ADX GENERAL INDEX – DAILY CHART



ADX Index

	Level	% Δ	Volume*
Last	5,068.81	0.82	56,135,960

*Volume of Index Constituents

Resistance/Support Levels

Levels	1 st	2 nd	3 rd
Resistance	5,150	5,250	5,400
Support	5,000	4,900	4,800

Index Overview:

Harsh correction seen on the Index. However, the trend remains up, both short and medium term.

ESHRAQ PROPERTIES CO PJSC – DAILY CHART



Stock's Vitals

	Last Px. (AED)	% Δ	Volume
Last	0.405	(0.74)	1,771,906

Resistance/Support Levels

Levels	1 st	2 nd	3 rd
Resistance	0.417	0.436	0.450
Support	0.395	0.378	0.364

Stock Overview:

The trend has been down and expected to continue with its weakness. This is a trade against that trend, only if the price manages to breakout above the 0.417 level. However, if the price dips below 0.395, then stop and reverse to sell.

- **Expected Target Price: 0.436 – 0.450**
- **Trigger: A breakout above 0.417**
- **Suggested Stop-Loss Price: 0.395 / Stop and reverse trade to Sell**

Dubai Financial Market

DFM GENERAL INDEX – DAILY CHART



DFMGI Index

	Level	% Δ	Volume*
Last	2,788.99	(0.06)	42,970,924

*Volume of Index Constituents

Resistance/Support Levels

Levels	1 st	2 nd	3 rd
Resistance	2,800	2,900	3,000
Support	2,700	2,600	2,500

Index Overview:

The Index has moved up as expected and now is in a possible corrective phase.

EMAAR DEVELOPMENT PJSC – DAILY CHART



Stock's Vitals

	Last Px. (AED)	% Δ	Volume
Last	4.26	1.43	630,154

Resistance/Support Levels

Levels	1 st	2 nd	3 rd
Resistance	4.38	4.52	4.61
Support	4.13	4.00	3.90

Stock Overview:

The trend has been up and the price managed to remain above its major moving averages. As a result, we expect the price to move higher after the recent correction.

- **Expected Target Price: 4.52 – 4.61**
- **Trigger: A breakout above 4.38**
- **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.