

## Technical Analysis – Saudi Stock Exchange

01-June-2020

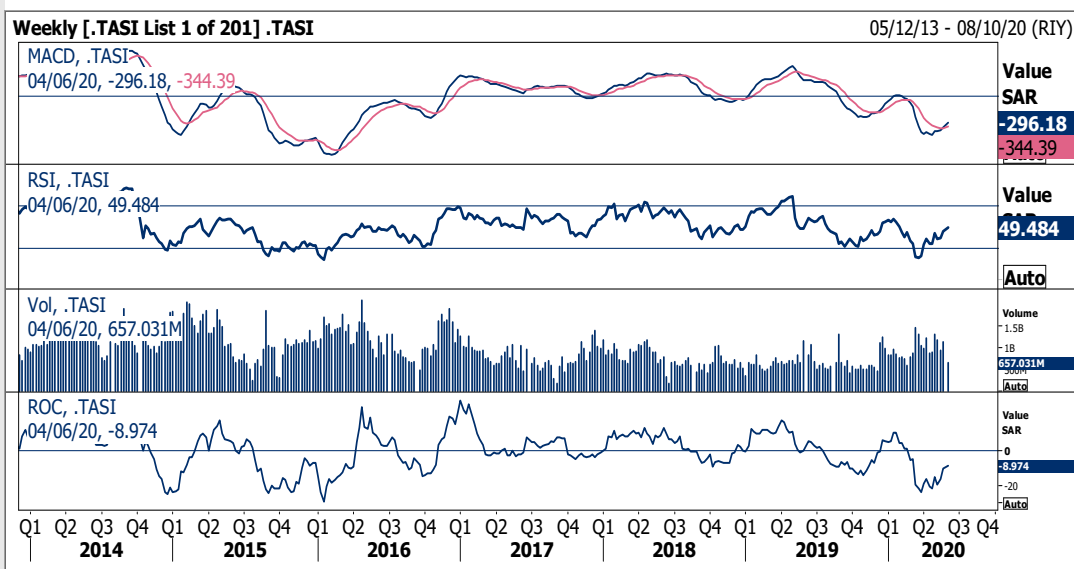
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### Saudi Stock Exchange

**Tadawul All Share Index <.TASI> closed at 7,288.81 point.** The recent jump over last month high at around 7,110 point is a positive sign that should attract additional momentum on the coming period. The next overhead resistance level comes at 7,400 point, while managing to overpass it will target 7,730 point before 8,000 point. However, the nearby support levels are located at 6,860 point and 6,445 point but only below this will call for a re-test of this year low at 5,960 point.

Medium-term investors can stay in the market with a stop-loss below 6,860 point, while long-term investors can re-enter the market at levels higher than 7,500 point.



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## Saudi British Bank

Reuters Ticker: &lt;1060.SE&gt;

**Price closed at SAR24.04.** The stock recovered from this year low at SAR18.20 but needs to cross over the tiny resistance level at SAR24.70 to anticipate further buying momentum to the strong line at SAR29.00. On the counter side, back below the horizontal line at SAR20.00 will put pressure again on SAR18.20, knowing that losing it would re-instate the negative tone and lead to SAR16.40 and maybe lower to SAR11.90.



RSI	43.856
MACD	-2.92
ROC	-17.530
M10	23.30
M50	29.10
M100	31.65
S1	20.10
S2	18.20
S3	16.40
R1	24.70
R2	29.00
R3	37.00

## Alinma Bank

Reuters Ticker: &lt;1150.SE&gt;

**Price closed at SAR15.10.** The technical picture is not clear at the moment as to where the stock can go from here. A move back above SAR16.00 would target SAR17.33, while only a close above this will confirm a return to the strong layer at SAR19.60. However, failing to sustain a move above the recent low at SAR13.73 will most likely trigger SAR12.75 before the horizontal line at SAR10.45.



RSI	43.643
MACD	-0.63
ROC	-18.686
M10	15.30
M50	16.70
M100	17.15
S1	13.73
S2	12.75
S3	10.45
R1	16.00
R2	17.33
R3	19.60

**National Shipping Co. of Saudi Arabia**

Reuters Ticker: &lt;4030.SE&gt;

**Price closed at SAR34.35.** The stock looks stable along with a neutral RSI behavior. A move above the resistance level at SAR37.90 will target the strong layer at SAR41.05, knowing that only a firm close above this would confirm a positive continuation pattern and lead to SAR48.50. On the other side, a fall below the horizontal line at SAR30.10 will trigger SAR27.00 but only a close below this would call for a slippage to SAR24.50.



RSI	51.218
MACD	0.61
ROC	1.029
M10	34.30
M50	32.95
M100	32.00
S1	30.10
S2	27.00
S3	24.50
R1	37.90
R2	41.05
R3	48.50

**Emaar The Economic City**

Reuters Ticker: &lt;4220.SE&gt;

**Price closed at SAR7.24.** The stock remains within the range of SAR6.45-SAR7.45, though the current picture favors the bulls. A jump over SAR7.45 along with an increase in trading activity will increase the upward chances to SAR8.50, while above this will target SAR11.05. However, a sudden break below SAR6.45 will deepen the bearish move to SAR5.55 and maybe lower to SAR5.00.



RSI	39.410
MACD	-0.64
ROC	-24.583
M10	7.20
M50	8.65
M100	9.00
S1	6.45
S2	5.55
S3	5.00
R1	7.45
R2	8.50
R3	11.05

## Definitions

**Technical Analysis:** Aims to identify the direction of prices and reveal any indication of possible changes as soon as possible, so it can be used as much as possible in making buying and selling decisions in the most appropriate time in order to minimize risk and maximize profits.

**Trend:** The general direction of a market or of the price of an asset.

**Resistance:** A chart point or range that caps an increase in the level of a stock or index over a period of time.

**Support:** The price level which, historically, a stock has had difficulty falling below. It is thought of as the level at which a lot of buyers tend to enter the stock.

**Breakout:** A signal that prices are beginning to trend, either upward or downward.

**Bull:** An investor who thinks the market, a specific security or an industry is likely to rise.

**Bear:** An investor who thinks the market, a specific security or an industry is likely to decline.

**Channel:** is two parallel trend lines either rising or declining.

**Consolidation Area:** is a sideways movement in prices that interrupts or reverse a trend.

**Moving Average (MA):** The most common applications of MAs are to identify the trend direction and to determine support and resistance levels.

**MACD (Moving Average Convergence-Divergence):** A trend-following momentum indicator that shows the relationship between two moving averages of prices.

**Relative Strength Index:** A technical momentum indicator (ranges from 0 to 100) that compares the magnitude of recent gains to recent losses in an attempt to determine overbought and oversold conditions of an asset.

**Overbought:** A situation in which the price of a security has risen to such a degree that an oscillator has reached its upper bound. This is generally interpreted as a sign that the price of the asset is becoming overvalued and may experience a pullback.

**Oversold:** A situation in which the price of a security has fallen to such a degree that an oscillator has reached its upper bound. This is generally interpreted as a sign that the price of the asset is becoming undervalued and may represent a buying opportunity for investors.

**Fibonacci:** A term refers to areas of support or resistance and to help identify strategic places for transactions to be placed, target prices or stop losses.

**On Balance Volume (OBV):** is a simple running total of up day (added) and down day (subtracted) volume. If OBV is moving with price, it confirms the current trend. Divergences between OBV and price indicates the price may be due for a reversal.

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