

## Technical Analysis – Dubai Financial Market

08-June-2020

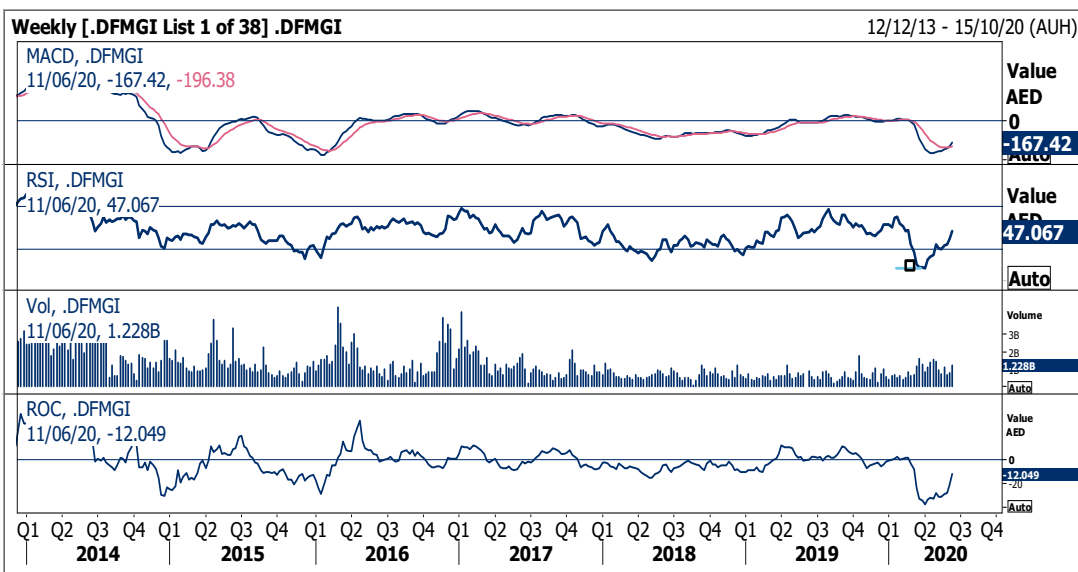
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### Dubai Financial Market

**DFM General Index <.DFMGI> closed at 2,164.08 point.** The market continues its north movement and shows promise for gradual gains to the next resistance layer at 2,430 point. However, the first support level at 1,930 point should prevent the index from falling down, but losing it would lead to 1,855 point and maybe lower to 1,800 point but a dip back to 1,663 point (low of this year) is not favored on the coming period.

Medium-term and long-term investors can re-enter the market at levels higher than 2,350 point and 2,500 point, respectively.



Raed Diab

Vice President

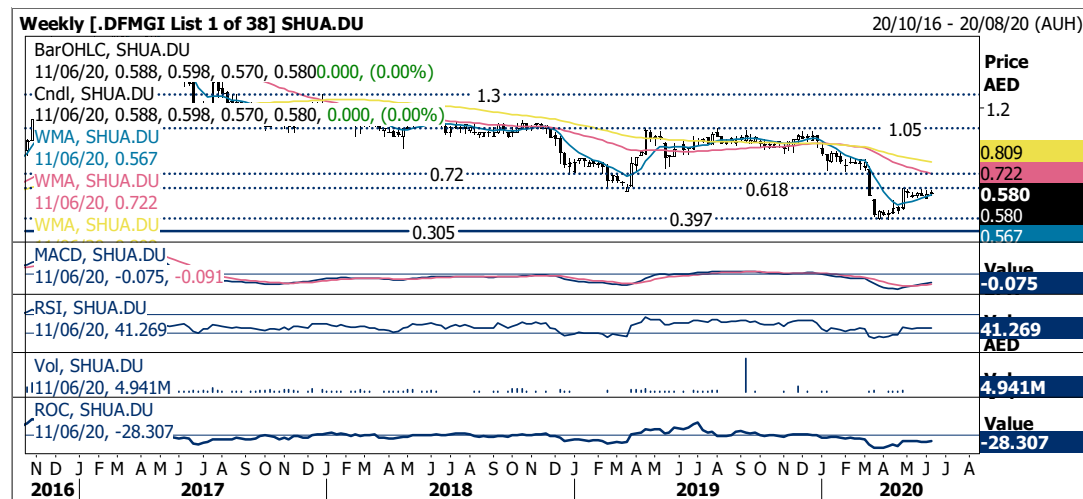
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## Shuaa Capital

Reuters Ticker: &lt;SHUA.DU&gt;

**Price closed at AED0.580.** The stock recovered from this year low at AED0.397 and encounters a resistance level at AED0.618, while managing to print a firm close above it will most likely lead to AED0.720 before AED0.800. However, losing the support level at AED0.525 will put pressure on AED0.397 but only a fall below this will re-instate the bearish tone and lead to AED0.305.



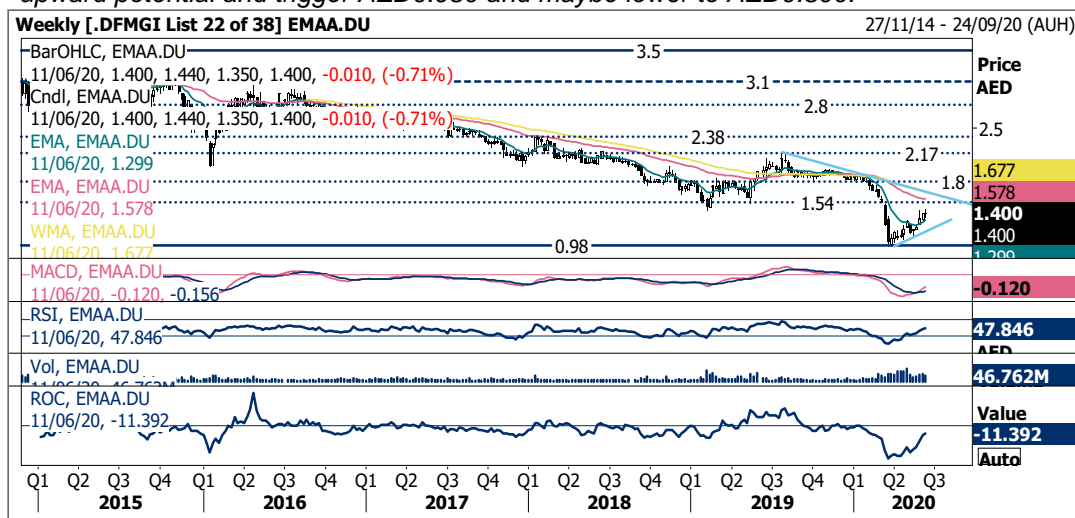
RSI	41.269
MACD	-0.091
ROC	-28.307
M10	0.565
M50	0.720
M100	0.810

S1	0.525
S2	0.397
S3	0.305
R1	0.618
R2	0.720
R3	0.885

## Emaar Malls

Reuters Ticker: &lt;EMAA.DU&gt;

**Price closed at AED1.400.** The stock saw a natural upward correction after posting an all-time low at AED0.980, helped by an oversold status of the weekly RSI indicators and an increase in trading activity. The next overhead resistance level comes at AED1.540 and AED1.800. On the other side, back below the support level at AED1.240 will delay any upward potential and trigger AED0.980 and maybe lower to AED0.800.



RSI	47.846
MACD	-0.156
ROC	-11.392
M10	1.300
M50	1.580
M100	1.675

S1	1.300
S2	1.100
S3	0.980
R1	1.540
R2	1.800
R3	2.170

## Emirates Integrated Telecommunications Co.

Reuters Ticker: &lt;DU.DU&gt;

**Price closed at AED5.100.** The stock looks steady at present and needs to gain momentum above the tiny resistance level at AED5.350 to target AED5.900, knowing that only above this will call for a re-test of this year high at AED6.350. On the counter side, the nearby support levels are located at AED4.970, AED4.720 and AED4.330 but losing this only will trigger AED3.950 (low of year 2014).

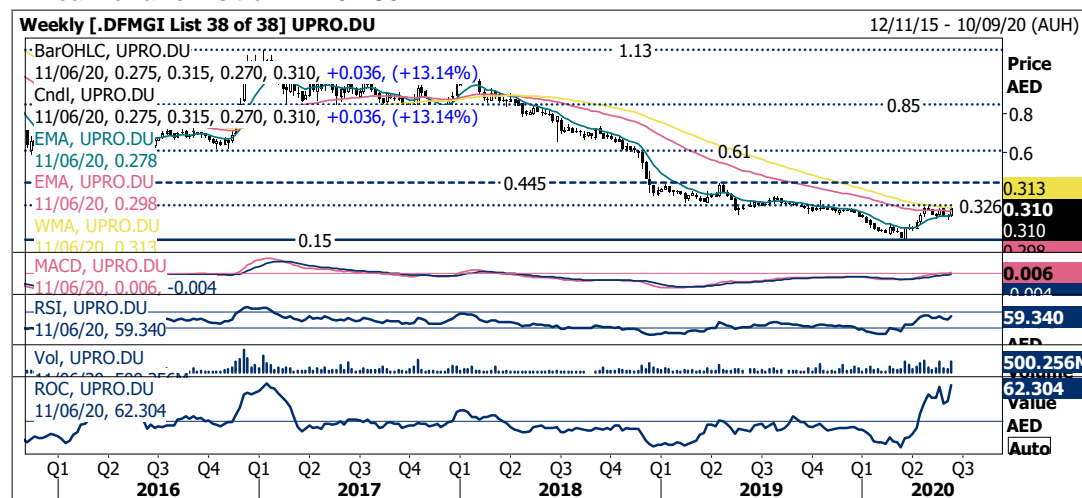


RSI	39.510
MACD	-0.091
ROC	-14.286
M10	5.200
M50	5.400
M100	5.390
S1	4.970
S2	4.720
S3	4.330
R1	5.350
R2	5.900
R3	6.350

## Union Properties

Reuters Ticker: &lt;UPRO.DU&gt;

**Price closed at AED0.310.** The fall below the strong support level at AED0.183 was short-lived, posting a low of AED0.150 before seeing some strength towards AED0.326, which rejected two times further momentum. Knowing that a successful close above AED0.326 would target last year high at AED0.445 before AED0.610. However, a dip below AED0.200 will call for a re-visit of AED0.150.



RSI	59.340
MACD	-0.004
ROC	62.304
M10	0.280
M50	0.300
M100	0.315
S1	0.200
S2	0.150
S3	0.100
R1	0.326
R2	0.445
R3	0.610

## 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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