KAMCO INVEST

Investment Strategy & Research

Technical Analysis – Boursa Kuwait

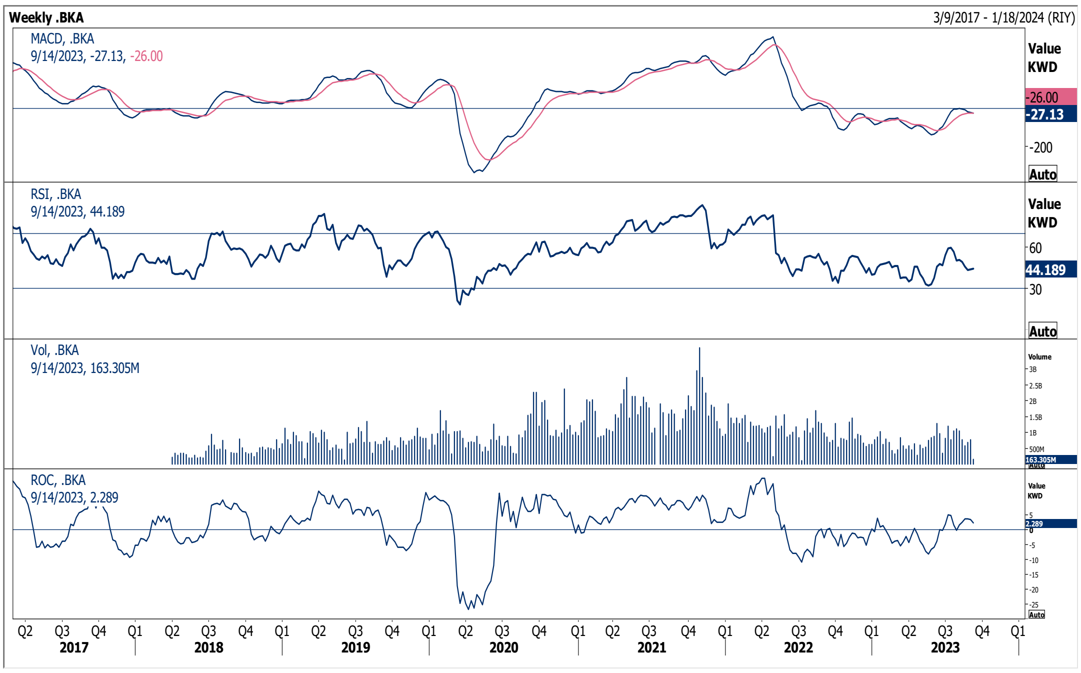
11-September-2023

In this Report…

Boursa Kuwait

All Share Index <.BKA> closed at 7,015.52 point. *The market sentiment is cautious at present and could continue on the short-term period until a clear technical signal emerge. The first overhead obstacle comes at 7,160 point, which if broken would increase the upward probability and could lead to the resistance area at 7,365 point-7,435 point. On the negative side, losing the support line at 6,735 point would allow additional downward correction to 6,410 point (50% level of the Fibonacci Retracements from 4,340 point-8,472 point).*

Medium-term investors can re-enter the market at levels higher than 7,160 point, while long-term investors can stay in the market with a stop-loss below 6,660 point.



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Kuwait Finance House

Reuters Ticker: <KFH.KW>

Price closed at KWD0.748. *The technical picture of the stock is neutral and needs to escape out of the range between KWD0.685-KWD0.805 to indicate the next trend, knowing that a jump above KWD0.805 would most likely lead to a re-test of all-time high at KWD0.945. However, a fall below KWD0.685 is expected to accelerate the bearish move and call for a slippage to KWD0.575.*

RSI (W)	47.217
MACD (W)	0.700
ROC (W)	3.030
MA50 (W)	0.750
MA100 (W)	0.765
MA200 (W)	0.715
S1	0.685
S2	0.575
S3	0.480
R1	0.805
R2	0.905
R3	0.945

Gulf Bank

Reuters Ticker: <GBKK.KW>

Price closed at KWD0.250. *The stock continues its move below all MAs on the weekly chart and approached the support line at KWD0.237 before seeing a brief relief, knowing that a break below this would deepen the negative tone and trigger a fall to KWD0.219. On the counter side, a break above the resistance area at KWD0.269-KWD0.279 is required to initiate the first positive signal, which would then lead to KWD0.308.*

RSI (W)	34.899
MACD (W)	-8.200
ROC (W)	-3.846
MA50 (W)	0.272
MA100 (W)	0.288
MA200 (W)	0.267
S1	0.237
S2	0.219
S3	0.185
R1	0.279
R2	0.308
R3	0.338

Mobile Telecommunications Co. (ZAIN)

Reuters Ticker: <ZAIN.KW>

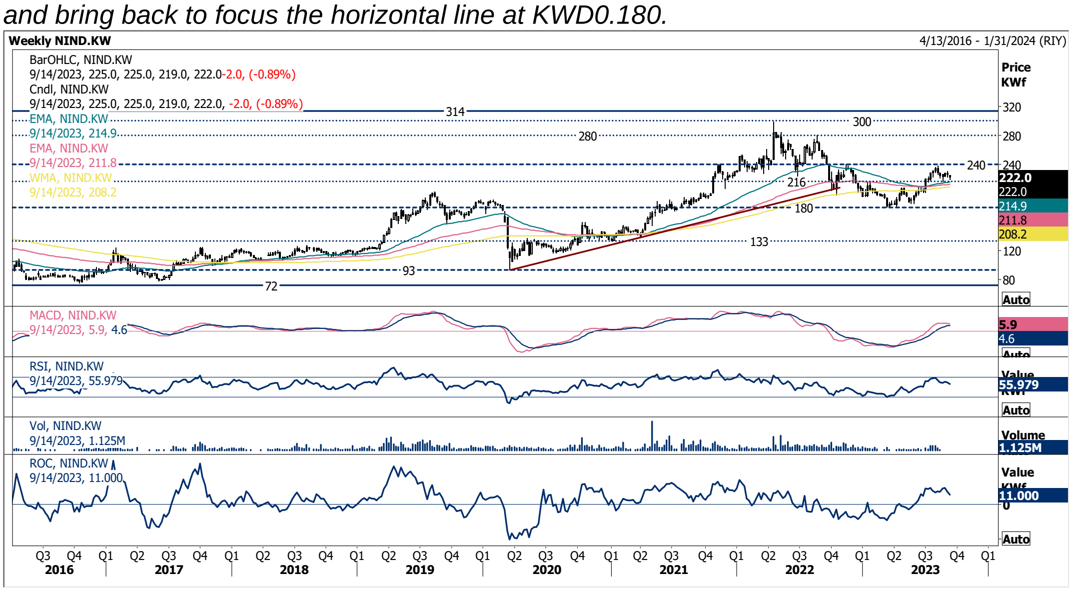
Price closed at KWD0.505. *The stock is finding difficulties to pull away from the low of current year at KWD0.500, while managing to close below it would call for a negative continuation pattern and most likely lead to KWD0.435. However, a break above the first resistance level at KWD0.537 is expected to decrease the downside risk and attract additional potential to KWD0.572 before KWD0.630.*

RSI (W)	35.300
MACD (W)	-11.200
ROC (W)	-1.174
MA50 (W)	0.530
MA100 (W)	0.560
MA200 (W)	0.578
S1	0.500
S2	0.435
S3	0.407
R1	0.537
R2	0.572
R3	0.630

National Industries Group Holding

Reuters Ticker: <NIND.KW>

Price closed at KWD0.222. *The stock successfully managed to close above all MAs on the weekly chart but the resistance level at KWD0.240 arrested further gains; however, a firm close above this would call for a gradual increase to KWD0.280 and maybe higher to KWD0.300. On the other side, losing the support line at KWD0.200 could reverse the tone and bring back to focus the horizontal line at KWD0.180.*



RSI (W)	55.979
MACD (W)	4.600
ROC (W)	11.000
MA50 (W)	0.215
MA100 (W)	0.212
MA200 (W)	0.208
S1	0.216
S2	0.180
S3	0.150
R1	0.240
R2	0.280
R3	0.314

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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