

## GCC Technical Monitor

12-October-2020

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### GCC Indices

**Kuwait- All Share Index <.BKA> closed at 5,778.82 point.** The market continues to move north, eroding all its MAs on the daily chart along with an increase in trading activity. The next target level comes at 6,000 point, which if broken would seal a more constructive outlook and lead to a re-test of all-time high at 6,416 point. However, some attempts to go down can be seen on the short-term period, knowing that the nearby support levels come at 5,518 point and 5,370 point.

**Saudi Arabia - Tadawul All Share Index <.TASI> closed at 8,544.94 point.** The market did well and reached levels last seen in August-2019 as it continues to move within the 7-months ascending trend line. Further gains can still be seen to 8,770 point and maybe higher to the resistance area at 9,100 point-9,430 point. On the other side, the weekly and daily RSI indicators look exhausted, which could allow some short-term correction to take place to 8,000 point and maybe to 7,710 point.

**UAE - ADX General Index <.ADI> closed at 4,532.820 point.** The market has posted a temporarily top at 4,580 point (near 61.8% level of the Fibonacci Retracement from 5,426 point-3,304 point) and needs to overcome it to form a positive continuation pattern and target 4,760 point before 5,060 point. However, a break below the tiny support level at 4,460 point could allow some downward correction to 4,200 point and maybe 4,000 point.

**UAE - DFM General Index <.DFMGI> closed at 2,234.83 point.** The overall picture has improved as it rebounded from the low of last March at 1,663 point. Further gains above the recent high at 2,320 point will re-activate the buying potential and call for an advance to 2,430 point before 2,650 point. However, a fall below the support level at 2,164 point will trigger additional losses to 2,030 point, while only below this would re-instate the bearish tone.

**Qatar - QE Index <.QSI> closed at 10,056.950 point.** The bias remains positive as the index keeps on moving above its MAs on the weekly chart and additional upward momentum could still take place towards 10,375 point, while a successful close above it is required to gain more confidence and call for a gradual increase to the high of last year at 10,810 point. On the other side, the horizontal line at 9,685 point should arrest any move down but a dip below it will lead to the support zone at 9,400 point-9,300 point and maybe lower to 9,000 point.

**Bahrain - Bahrain All-Share Index <.BAX> closed at 1,478.514 point.** The market has corrected from last March low at 1,227 point, jumping over 1,448 point (50% level of the Fibonacci Retracement from 1,669 point-1,227 point) and shows promise for further gains to 1,500 point, while managing to surpass this should be enough to target 1,550 point. However, losing the first support line at 1,425 point will trigger some weaknesses to 1,390 point, while a fall below this is expected to target 1,320 point.

**Oman - Muscat SE General Index <.MSI> closed at 3,584.220 point.** The picture looks ambiguous at present as the index can move in either way and no signs of bottoming up has been spotted yet. The jump over the recent high at 3,782 point will be the first improvement sign that should target 4,200 point, knowing that a firm close above this will call for another leg up to 4,571 point. On the other side, a fall below the first support level at 3,445 point will lead to a re-test of 3,367 point (low of last March), while only below this will re-instate the bearish tone and trigger 3,200 point before 3,000 point.

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## KUWAIT

Company	RIC	Closing Price	Resistance 1	Resistance 2	Support 1	Support 2	Comments
National Bank of Kuwait	NBKK.KW	0.913	0.962	1.061	0.833	0.745	Hold while above KWD0.833
Kuwait Finance House	KFH.KW	0.712	0.760	0.800	0.620	0.540	Hold while above KWD0.620
Zain	ZAIN.KW	0.624	0.680	0.730	0.566	0.500	Hold while above KWD0.550
Boubyan Bank	BOUK.KW	0.628	0.638	0.700	0.545	0.500	Hold while above KWD0.545
Agility	AGLT.KW	0.706	0.748	0.875	0.605	0.520	Hold while above KWD0.605
Commercial Bank of Kuwait	CBKK.KW	0.515	0.570	0.650	0.465	0.410	Neutral
Gulf Bank	GBKK.KW	0.241	0.280	0.330	0.210	0.180	Hold while above KWD0.210
Burgan Bank	BURG.KW	0.225	0.275	0.315	0.199	0.175	Hold while above KWD0.199
Ahli United	BKME.KW	0.291	0.320	0.348	0.270	0.233	Hold while above KWD0.270
Mabanee	MABK.KW	0.740	0.800	0.877	0.718	0.690	Hold while above KWD0.670

## Saudi Arabia

Company	RIC	Closing Price	Resistance 1	Resistance 2	Support 1	Support 2	Comments
Sabir	2010.SE	98.50	101.80	110.50	84.60	76.00	Hold while above SAR84.60
Saudi Telecom	7010.SE	106.40	110.00	117.40	94.00	86.30	Hold while above SAR94.00
Al-Rajhi Bank	1120.SE	67.70	68.90	76.90	64.00	56.50	Hold while above SAR62.00
National Commercial Bank	1180.SE	39.25	50.70	64.40	35.60	30.45	Neutral
Samba Financial Group	1090.SE	28.20	30.50	34.95	24.90	22.85	Neutral
Riyad Bank	1010.SE	19.18	20.20	25.70	16.55	14.00	Hold while above SAR18.00
Saudi Electricity	5110.SE	19.88	21.60	23.45	16.45	15.25	Hold while above SAR16.45
Maaden	1211.SE	42.30	46.50	52.00	38.60	32.10	Hold while above SAR38.60
Almarai	2280.SE	54.20	62.80	68.80	50.00	36.50	Hold while above SAR50.00
SABB	1060.SE	25.20	27.95	37.00	23.70	18.20	Bearish/Buy above SAR27.95

## Abu Dhabi

Company	RIC	Closing Price	Resistance 1	Resistance 2	Support 1	Support 2	Comments
First Abu Dhabi Bank	FAB.AD	11.220	13.120	16.960	10.000	7.780	Neutral
Emirates Telecom	ETISALAT.AD	16.860	17.800	20.200	16.100	13.660	Hold while above AED16.100
AD Commercial Bank	ADCB.AD	5.700	6.000	7.370	4.840	3.820	Neutral
AD National Oil	ADNOCDIST.AD	3.390	3.570	4.100	3.270	3.000	Hold while above AED2.900
AD Islamic Bank	ADIB.AD	4.200	5.100	5.850	3.580	3.190	Hold while above AED4.010
Aldar Properties	ALDAR.AD	2.040	2.370	3.000	1.890	1.350	Hold while above AED1.890
Agthia Group	AGTHIA.AD	4.360	5.000	5.690	3.250	2.500	Hold while above AED3.250
National Bank of Ras Alkhaimah	RAKBANK.AD	3.550	5.000	7.600	3.330	1.840	Hold while above AED4.300
Dana Gas	DANA.AD	0.707	0.786	0.980	0.606	0.525	Neutral
AD National Energy Co.	TAQA.AD	1.440	1.650	1.900	1.270	0.985	Hold while above AED0.850

## Dubai

Company	RIC	Closing Price	Resistance 1	Resistance 2	Support 1	Support 2	Comments
Emirates NBD Bank	ENBD.DU	10.450	11.400	13.930	9.800	7.800	Hold while above AED9.800
Emaar Properties	EMAR.DU	2.690	3.050	3.850	2.340	1.900	Bearish/Buy above AED3.050
DB Islamic Bank	DISB.DU	4.220	4.660	5.370	3.750	3.040	Neutral
Emaar Malls	EMAA.DU	1.470	1.560	1.960	1.260	0.980	Bearish/Buy above AED1.560
Emirates Integrated Telecom	DU.DU	5.390	5.900	6.350	4.970	4.720	Neutral
Emaar Development	EMAARDEV.DU	2.330	2.580	3.390	2.040	1.790	Neutral
National Central Cooling	TABR.DU	2.250	2.370	2.640	2.040	1.830	Hold while above AED1.940
Air Arabia	AIRA.DU	1.130	1.270	1.400	0.990	0.870	Bearish/Buy above AED1.200
Damac Properties	DAMAC.DU	0.919	0.980	1.490	0.815	0.360	Neutral
Aramex	ARMX.DU	4.250	5.010	5.500	3.900	3.200	Hold while above AED3.520

## Qatar

Company	RIC	Closing Price	Resistance 1	Resistance 2	Support 1	Support 2	Comments
Qatar National Bank	QNBK.QA	18.100	19.200	21.250	15.710	15.070	Neutral
Industries Qatar	IQCD.QA	9.970	12.650	14.900	7.600	6.390	Hold while above QAR8.760
Qatar Islamic Bank	QISB.QA	16.620	17.830	20.000	15.680	13.110	Hold while above QAR15.680
Masraf Al Rayan	MARK.QA	4.209	4.550	5.000	3.800	3.480	Hold while above QAR3.800
Ezdan Holding	ERES.QA	2.144	2.450	3.140	1.800	1.240	Hold while above QAR1.200
Ooredoo	ORDS.QA	6.670	8.250	10.300	5.700	4.805	Neutral
Qatar Fuel	QFLS.QA	17.950	18.450	23.830	15.300	12.380	Neutral
Qatar Electricity & Water	QEWQ.QA	17.000	17.640	20.530	15.750	13.200	Hold while above QAR15.750
Qatar Commercial Bank	COMB.QA	4.120	4.300	5.100	3.630	3.340	Neutral
Barwa Real Estate	BRES.QA	3.460	3.680	4.180	3.150	2.750	Hold while above QAR3.150

## Oman

Company	RIC	Closing Price	Resistance 1	Resistance 2	Support 1	Support 2	Comments
Bank Muscat	BKMB.OM	0.368	0.406	0.448	0.328	0.300	Neutral
Omantel	OTEL.OM	0.632	0.704	0.900	0.520	0.400	Neutral
Bank Dhofar	BKDB.OM	0.103	0.146	0.168	0.090	0.080	Bearish/Buy above OMR0.115
Al Anwar Ceramic Tiles	AACT.OM	0.184	0.230	0.295	0.150	0.113	Hold while above OMR0.135
National Bank of Oman	NBOB.OM	0.169	0.181	0.211	0.150	0.110	Bearish/Buy above OMR0.181
OMInvest	OMVS.OM	0.324	0.360	0.414	0.296	0.223	Bearish/Buy above OMR0.360
HSBC Bank Oman	HBMO.OM	0.093	0.109	0.138	0.085	0.070	Neutral
Sohar International Bank	BKSB.OM	0.092	0.112	0.149	0.077	0.060	Bearish/Buy above OMR0.107
Ahli Bank	ABOB.OM	0.132	0.159	0.190	0.110	0.090	Neutral
Bank Nizwa	BKNZ.OM	0.100	0.120	0.145	0.083	0.072	Hold while above OMR0.090

## Bahrain

Company	RIC	Closing Price	Resistance 1	Resistance 2	Support 1	Support 2	Comments
Ahli United Bank (US\$)	AUBB.BH	0.833	0.945	1.015	0.705	0.665	Hold while above USD0.705
National Bank of Bahrain	NATB.BH	0.620	0.640	0.714	0.560	0.490	Neutral
Aluminum Bahrain	ALBH.BH	0.403	0.450	0.660	0.319	0.260	Hold while above BHD0.365
Bahrain Telecom	BTEL.BH	0.519	0.571	0.623	0.445	0.360	Hold while above BHD0.390
Arab Banking Corporation (US\$)	ABCB.BH	0.303	0.374	0.472	0.270	0.240	Neutral
Bank of Bahrain and Kuwait	BBKB.BH	0.488	0.530	0.610	0.450	0.390	Neutral
Khaleeji Commercial Bank	KHCB.BH	0.039	0.065	0.076	0.034	0.020	Neutral
APM Terminal Bahrain	APMTB.BH	1.530	1.900	2.200	1.300	1.100	Hold while above BHD1.300
Gulf Finance House (US\$)	GFHB.BH	0.154	0.210	0.295	0.130	0.100	Bearish/Buy above USD0.190
Al Salam Bank	SALAM.BH	0.073	0.100	0.136	0.059	0.034	Bearish/Buy above BHD0.080

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## 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 lower 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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