

Technical Analysis – Saudi Stock Exchange

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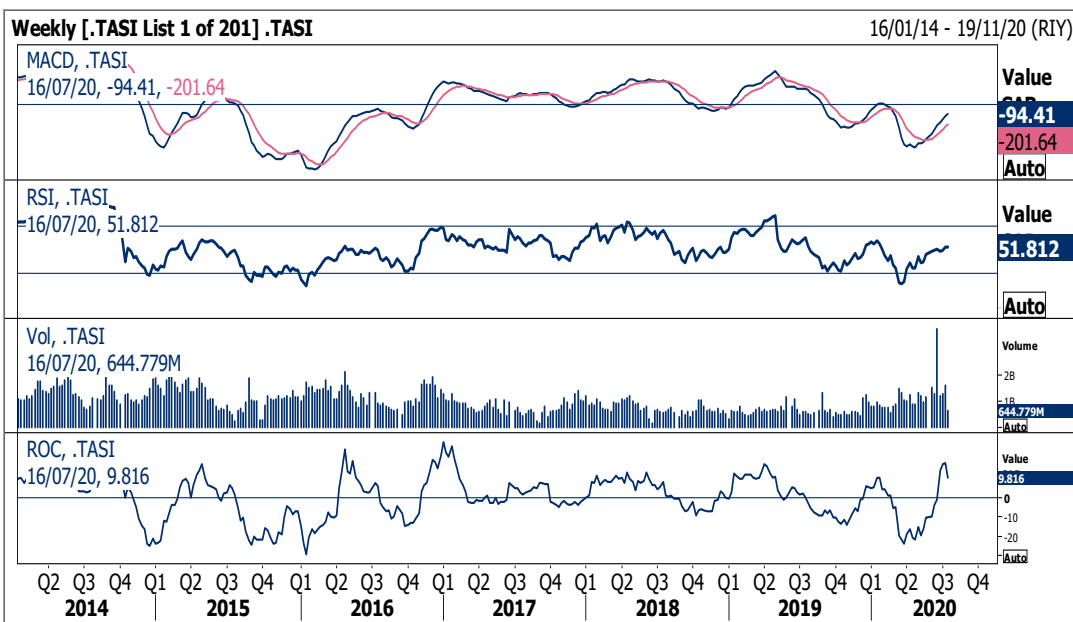
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Saudi Stock Exchange

Tadawul All Share Index <.TASI> closed at 7,412.21 point. The close above the 50% level of the Fibonacci Retracements from 8,500 point-5,960 point at 7,230 point will most likely lead to 7,530 point (61.8%)-7,630 point, which if broken would seal a more constructive outlook and target 8,000 point before 8,150 point. On the negative side, there are no signs of reversal at present but some attempts to go down can be seen, knowing that the nearby support levels are located at 7,155 point and 7,050 point, while a fall below this will deepen the bearish tone to 6,715 point.

Medium-term investors should be aware as the index is moving near the 50 weeks MA at 7,400 point, while long-term investors can enter at levels higher than 7,800 point.



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Saudi Ceramics Co.

Reuters Ticker: <2040.SE>

Price closed at SAR36.00. The technical picture of the stock is bullish as it remains within the 4-months ascending trend line and above its MAs on the weekly chart. The challenge for the coming period is to cross over the strong horizontal line at SAR43.00, which if happens will call for a gradual increase to SAR55.00. However, a fall below SAR32.00 could lead to SAR28.55 but only below this will delay any upward potential.



RSI	61.756
MACD	0.37
ROC	55.306
M10	32.60
M50	29.25
M100	27.55
S1	32.00
S2	28.55
S3	23.00
R1	38.50
R2	43.00
R3	55.00

Aseer Trading, Tourism & Manufacturing Co.

Reuters Ticker: <4080.SE>

Price closed at SAR11.84. The stock keeps on correcting upwards after it posted a multi-year low at SAR7.70 last March, helped by an increase in trading activity and an oversold status of the RSI indicators. The next target price comes at SAR13.24, while above this will call for a jump to SAR17.20. On the counter side, a sharp bearish move is not favored but some attempts to go down could be seen to SAR10.20 and maybe SAR9.30.



RSI	70.644
MACD	0.09
ROC	37.835
M10	10.15
M50	9.50
M100	9.30
S1	10.20
S2	8.50
S3	7.70
R1	13.24
R2	17.20
R3	19.45

Etihad Etisalat Co.

Reuters Ticker: <7020.SE>

Price closed at SAR27.50. The stock remains within the positive territory but the horizontal line at SAR29.30 is still arresting further advance towards SAR33.80, while managing to close above this will lead to SAR46.20. However, a dip below SAR25.20 could allow additional losses to take place to SAR22.75 and maybe lower to SAR18.50 but only below this will call for a re-test of SAR12.94 (low of year 2017).



RSI	56.851
MACD	0.84
ROC	16.525
M10	27.10
M50	24.70
M100	23.90
S1	22.75
S2	18.50
S3	12.96
R1	29.30
R2	33.80
R3	46.20

Mobile Telecommunications Co. Saudi Arabia

Reuters Ticker: <7030.SE>

Price closed at SAR12.26. The stock continues to move up but to gain additional confidence, bulls need to cross over the upper-end of the 11-months descending trend line, which will then lead to SAR13.38 before the critical price at SAR14.46. Knowing that a close above SAR14.46 would promote SAR16.50. On the other side, back below SAR10.60 will most likely reverse the upward potential and lead to SAR9.70.



RSI	57.422
MACD	0.00
ROC	25.102
M10	11.55
M50	11.10
M100	11.10
S1	10.60
S2	9.70
S3	8.35
R1	13.38
R2	14.46
R3	16.50

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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