

Technical Analysis – Dubai Financial Market

08-August-2017

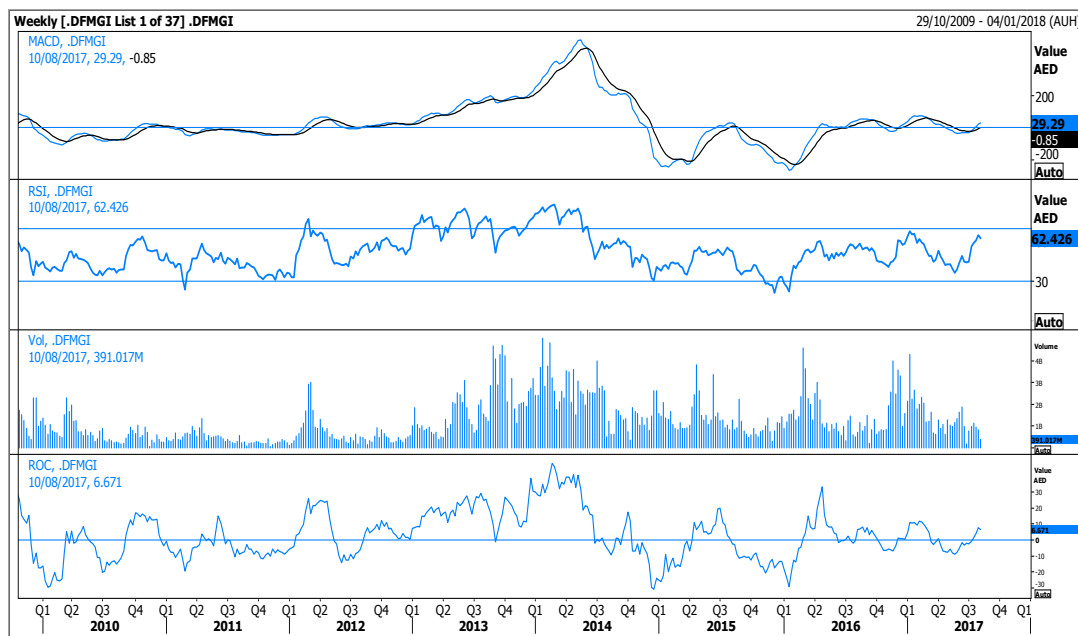
Dubai Financial Market

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DFM General Index <.DFMGI> closed at 3,647.87. The market did well after it jumped above 3,465 point, which was the turning point for a noticeable move up. Eyes now have shifted towards the critical resistance level at 3,740 point, which would more likely arrest additional gains towards 3,900 point before 4,000 point. On the other side, some downward correction cannot be neglected as the daily RSI indicator resides in the overbought territory, knowing that the nearby support levels are located at 3,625 point, 3,580 point and 3,540 point. Weekly RSI indicator is looking neutral at present.

Medium-term and long-term investors who would like to stay in the market can do so with a stop-loss below 3,540 point and 3,480 point, respectively.



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Dubai Islamic Bank

Reuters Ticker: <DISB.DU>

Price closed at AED6.100. The current technical picture of the stock is bullish as it sustains a close above all MAs and its recent break above the horizontal line at AED5.960. Attention now has shifted towards this year high at AED6.290, knowing that a jump over this is required to confirm a positive continuation pattern. On the other side, back below AED5.960 would trigger AED5.570 but only below this will lead to AED5.360.



RSI	61.504
MACD	0.049
ROC	5.354
M10	5.865
M50	5.770
M100	5.610
S1	5.960
S2	5.570
S3	5.360
R1	6.290
R2	6.710
R3	7.000

Drake & Scull International

Reuters Ticker: <DSI.DU>

Price closed at AED0.386. The stock moves between the trading range of AED0.370-AED0.440 without any clear direction at present but the close above the strong support area at AED0.330-AED0.290 could be a reason to anticipate some positive momentum on the coming period. However, a break above AED0.440 should be enough to target AED0.500 before AED0.585, while a fall below AED0.370 would bring back to focus the aforementioned support zone.



RSI	41.476
MACD	-0.025
ROC	-12.867
M10	0.389
M50	0.435
M100	0.464
S1	0.370
S2	0.330
S3	0.290
R1	0.440
R2	0.500
R3	0.585

Reuters Ticker: <DXBE.DU>

Weekly [.DFMGI List 1 of 37] DXBE.DU		24/10/2013 - 19/10/2013 (AUH)	
<p>CndI, DXBE.DU 10/08/2017, 0.850, 0.866, 0.820, 0.830, +0.008, (+0.97%)</p> <p>WMA, DXBE.DU 10/08/2017, 0.785</p> <p>WMA, DXBE.DU 10/08/2017, 0.968</p> <p>WMA, DXBE.DU 10/08/2017, 1.171</p>		<p>Price AED</p> <p>1.77</p> <p>1.4</p> <p>1.171</p> <p>0.988</p> <p>0.830</p> <p>0.785</p> <p>0.73</p> <p>0.59</p>	
<p>MACD, DXBE.DU 10/08/2017, -0.099, -0.120</p>		<p>Auto</p> <p>Value AED</p> <p>-0.099</p> <p>Auto</p>	
<p>RSI, DXBE.DU 10/08/2017, 39.078</p>		<p>Auto</p> <p>Value AED</p> <p>39.078</p> <p>Auto</p>	
<p>Vol, DXBE.DU 10/08/2017, 24.047M</p>		<p>Auto</p> <p>Volume -200M</p> <p>24.047M</p>	
<p>ROC, DXBE.DU 10/08/2017, -15.220</p>		<p>Auto</p> <p>Value AED</p> <p>-15.220</p> <p>Auto</p>	
<p>N D J F M A M J J A S O N D J F M A M J J A S O N D J F M A M J J A S O</p> <p>Q4 13 Q1 14 Q2 14 Q3 14 Q4 14 Q1 15 Q2 15 Q3 15 Q4 15 Q1 16 Q2 16 Q3 16 Q4 16 Q1 17 Q2 17 Q3 17</p>			

RSI	39.078
MACD	-0.120
ROC	-15.220
M10	0.785
M50	0.988
M100	1.170
S1	0.730
S2	0.665
S3	0.590
R1	0.925
R2	1.060
R3	1.250

Reuters Ticker: <EMAA.DU>

Weekly [DFMGI List 1 of 37] EMAA.DU

13/06/2013 - 02/11/2017 (AUH)

The chart displays five technical indicators for EMAA.DU over a five-year period from June 2013 to November 2017. The Price chart at the top shows a general downward trend with a red linear regression line and horizontal dashed lines at 3.5, 3.25, 3.1, 3, 2.8, 2.7, 2.4, 2.38, 2.3, and 2.02. The MACD indicator shows a shift from positive to negative around mid-2015. The RSI indicator remains mostly below 50, indicating a bearish trend. The Volume chart shows a significant spike in early 2014. The ROC indicator shows a sharp peak in early 2016 followed by a decline.

Indicator	Value	Unit
Price	2.470	AED
MACD	-0.037	
RSI	42.949	
Vol	5.802M	
ROC	-1.594	

RSI	42.949
MACD	-0.037
ROC	-1.594
M10	2.500
M50	2.570
M100	2.640
S1	2.380
S2	2.300
S3	2.020
R1	2.570
R2	2.700
R3	2.800

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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