

## Technical Analysis – Boursa Kuwait

15-June-2020

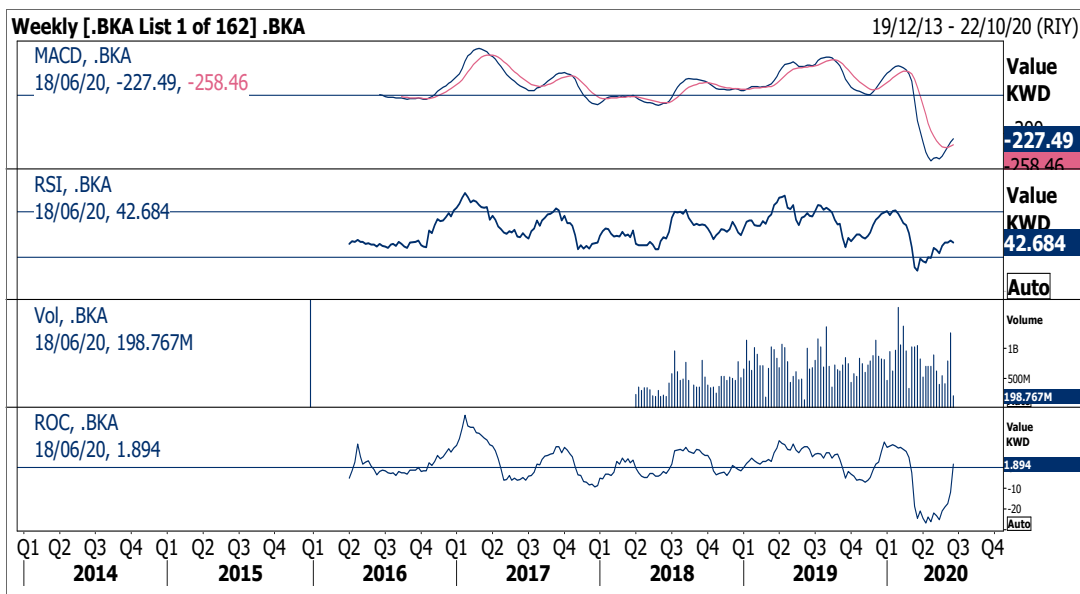
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### Boursa Kuwait

**All Share Index <.BKA> closed at 4,997.49 point.** As was expected in our last report, the index approached the resistance level at 5,180 point but failed to break through. A close above this is required to confirm a return to the horizontal line at 5,300 point before 5,390 point. However, a dip below the recent low at 4,940 point will trigger additional losses to 4,840 point but below this could increase the downside risk to 4,670 point and maybe lower to 4,528 point.

Medium-term and long-term investors can only enter the market at levels higher than 5,390 point.



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## Gulf Bank

Reuters Ticker: &lt;GBKK.KW&gt;

**Price closed at KWD0.209.** The stock failed to sustain its upward correction move from the recent multi-year low at KWD0.180, recording a temporarily high at KWD0.236. However, gaining enough momentum above KWD0.236 will confirm a jump back to KWD0.280. On the other side, only a break below KWD0.180 will re-instate the bearish tone to the strong support level at KWD0.140 and maybe lower to KWD0.110.



RSI	37.770
MACD	-19.7
ROC	-0.948
M10	0.210
M50	0.250
M100	0.280
S1	0.180
S2	0.140
S3	0.110
R1	0.236
R2	0.260
R3	0.280

## Warba Bank

Reuters Ticker: &lt;WARB.KW&gt;

**Price closed at KWD0.202.** There could be further attempts to head north as long as the stock preserve a close above the horizontal line at KWD0.190, knowing that managing to surpass the recent high at KWD0.215 will promote KWD0.234 and maybe more to KWD0.255. However, losing KWD0.190 will increase the risk of reaching the low of this year at KWD0.164 but below this will lead to all-time low at KWD0.137.



RSI	43.526
MACD	-12.5
ROC	1.000
M10	0.204
M50	0.223
M100	0.228
S1	0.190
S2	0.164
S3	0.137
R1	0.215
R2	0.234
R3	0.279

## Kuwait Telecommunications Co.

Reuters Ticker: &lt;STC.KW&gt;

**Price closed at KWD0.850.** The stock encounters a resistance level at KWD0.900, which if broken along with an increase in trading activity will seal a more constructive outlook and lead to KWD0.950 before KWD1.000. On the other side, the first support level comes at 0.800, also found here the MAs on the weekly chart, but a fall below it will delay any upward move and lead to KWD0.730 before KWD0.670.



RSI	63.850
MACD	13.7
ROC	14.094
M10	0.830
M50	0.795
M100	0.795
S1	0.800
S2	0.705
S3	0.670
R1	0.900
R2	0.950
R3	1.000

## ALAFCO Aviation Lease and Finance Co.

Reuters Ticker: &lt;ALAF.KW&gt;

**Price closed at KWD0.165.** The stock approached the strong support level at KWD0.136 (low of year 2010) before seeing a relief but still early to anticipate an end to the bearish tone. Knowing that a successful close above KWD0.199 will be a positive sign that should call for a jump to KWD0.240. However, a fall below KWD0.136 will deepen the negative move and lead to KWD0.102.



RSI	34.521
MACD	-26.2
ROC	-5.172
M10	0.165
M50	0.220
M100	0.240
S1	0.136
S2	0.102
S3	0.071
R1	0.199
R2	0.240
R3	0.305

## 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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