

## Technical Analysis – Dubai Financial Market

16-April-2020

### In this Report...

DFM INDEX.....	1
ENBD.....	2
DIB.....	2
Emaar Properties .....	3
ARABTEC.....	3

### Dubai Financial Market

**DFM General Index <.DFMGI> closed at 1,859.79.** The index found support at 1,663 point before correcting upwards but remains within the negative territory. A move above the tiny resistance level at 2,090 point would be a positive sign that could lead to a gradual increase to 2,430 point. On the counter side, back below 1,800 point could lead to a re-test of the recent low at 1,663 point but only losing this will deepen the bearish tone and target 1,500 point.

Medium-term and long-term investors can re-enter the market at levels higher than 2,540 point and 2,620 point, respectively.



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## Emirates NBD Bank

Reuters Ticker: <ENBD.DU>

**Price closed at AED8.050.** The stock recovered after it approached the strong support level at AED6.026 (low of year 2016) and as the RSI indicators reached the oversold territory. A cross over the recent resistance level at AED9.020 would promote further strength towards AED10.320 and maybe more to AED11.300. However, back below AED7.500 could put pressure on the support zone at AED6.330-AED6.026 once again.



RSI	32.348
MACD	-0.523
ROC	-37.109
M10	8.610
M50	11.385
M100	10.955
S1	7.500
S2	6.026
S3	4.950
R1	7.020
R2	10.320
R3	11.300

## Dubai Islamic Bank

Reuters Ticker: <DISB.DU>

**Price closed at AED3.390.** The stock witnessed some strength after seeing an aggressive move down on the last couple of weeks. The next overhead resistance level comes at AED3.830, which should be cleared to anticipate a move back to the resistance area at AED4.360-AED4.660. On the counter side, only losing the recent low at AED3.040 would re-instate the negative tone and lead to AED2.460.

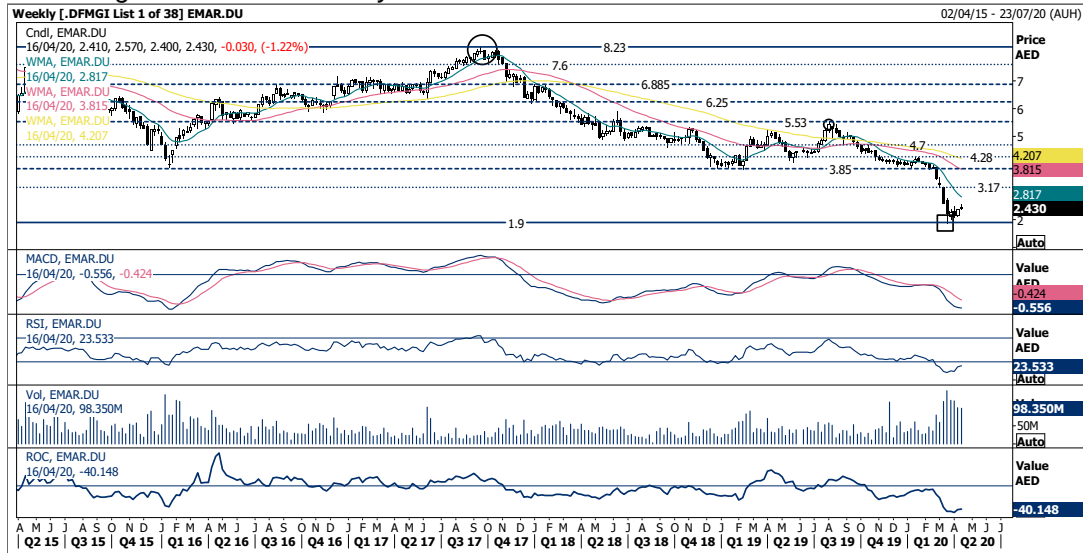


RSI	20.311
MACD	-0.208
ROC	-39.029
M10	4.310
M50	5.030
M100	5.090
S1	3.040
S2	2.460
S3	2.160
R1	3.830
R2	4.360
R3	4.660

## Emaar Properties

Reuters Ticker: &lt;EMAR.DU&gt;

**Price closed at AED2.430.** The stock hit levels last seen in 2012 before inching upwards due to the oversold status of the weekly RSI indicators. Additional gains cannot be ignored, while a jump over AED2.790 would most likely lead to the next line of resistance at AED3.170 and maybe to the strong line at AED3.850. However, a fall below the recent low at AED1.900 would target AED1.710 and maybe to the last line of defense at AED1.280.



RSI	23.533
MACD	-0.424
ROC	-40.148
M10	2.815
M50	3.815
M100	2.050
S1	1.900
S2	1.710
S3	1.280
R1	3.170
R2	3.850
R3	4.280

## Arabtec Holding Co.

Reuters Ticker: &lt;ARTC.DU&gt;

**Price closed at AED0.567.** It's still early to anticipate an end to the bearish move, though the stock saw a brief relief from its history low at AED0.440; however, managing to surpass the horizontal line at AED0.880 would be a positive sign that should target AED1.200-AED1.480, but only above this will decrease the downside risk and lead to AED2.410. On the other side, a dip below AED0.440 will target AED0.300.



RSI	26.879
MACD	-0.262
ROC	-53.140
M10	1.300
M50	1.155
M100	1.490
S1	0.440
S2	0.300
S3	0.250
R1	0.880
R2	1.200
R3	1.480

## 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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