KAMCO

Saudi Exchange

20-September-2022

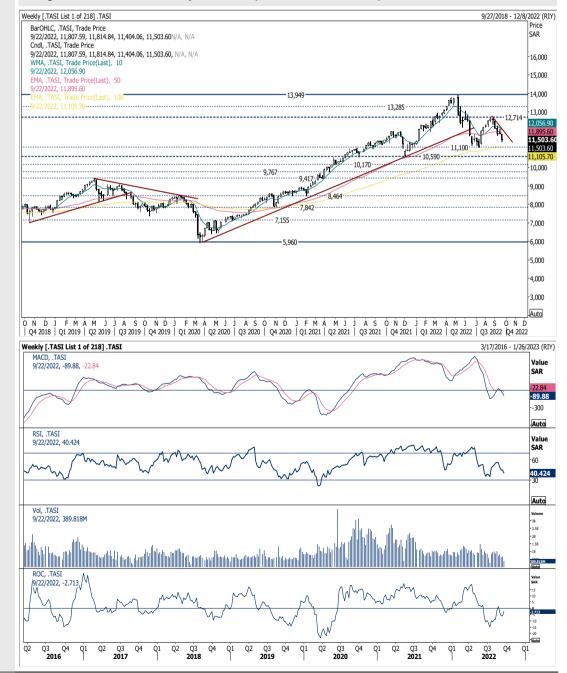
Technical Analysis – Saudi Exchange

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Tadawul All Share Index <.TASI> closed at 11,503.60 point. The index has lost its upward potential but needs to maintain a close above the support level at around 11,100 point, also found there the 100-weeks MA, to prevent a deeper bearish move to the next line at 10,590 point and maybe lower to 10,170 point. However, re-gaining momentum above the tiny resistance level at 12,225 point would allow a jump to 12,714 point (high of last August), while above this will open the road for a re-test of the critical level at around 13,950 point.

Medium-term investors can re-enter the market at levels higher than 11,900 point, while long-term investors can stay with a stop-loss below 11,100 point.



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Alrajhi Bank

Reuters Ticker: <1120.SE>

Price closed at SAR85.00. The horizontal line at SAR92.80 arrested further upward momentum, while a dip below the tiny support level at 84.50 would most likely put selling pressure once again on SAR78.70; however, a close below it will call for a move down to SAR66.00. On the other side, managing to jump above SAR92.80 along with an increase in trading activity will be a positive sign that should lead to SAR102.20.



The Saudi National Bank Reuters	s Ticker: <1180.SE>
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Price closed at SAR63.50. The stock is currently moving below its MAs on the weekly chart and is threating to go below the support line at SAR62.50 (low of last June), while below it would trigger a fall back to SAR59.60 and maybe lower to SAR52.20. However, no signs of reversal at present but a break above SAR69.30 could decrease the downside risk and call for an advance to SAR74.60.



Rabigh Refining and Petrochemical Co.

Reuters Ticker: <2380.SE>

Price closed at SAR14.36. The stock approached the strong support level at SAR13.99, which if broken would deepen the bearish tone and trigger a fall back to SAR11.52 and maybe lower to SAR8.35. On the counter side, a sharp recovery is not expected but some attempts to move up could be seen on the short-term period, knowing that the nearby resistance levels are located at SAR16.14, SAR17.40 and SAR19.58.



Dallah Healthcare Co.

Reuters Ticker: <4004.SE>

Price closed at SAR138.00. The stock continues to record new history highs, supported by its close above all MAs on the weekly chart and the move above the long-term ascending trend line. The next target price comes at SAR145.00 before SAR161.80. However, a sharp move down is not expected but some attempts to move down can be seen, knowing that a dip below the horizontal line at SAR113.80 can lead to SAR103.60.



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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