

## Technical Analysis – Boursa Kuwait

23-January-2024

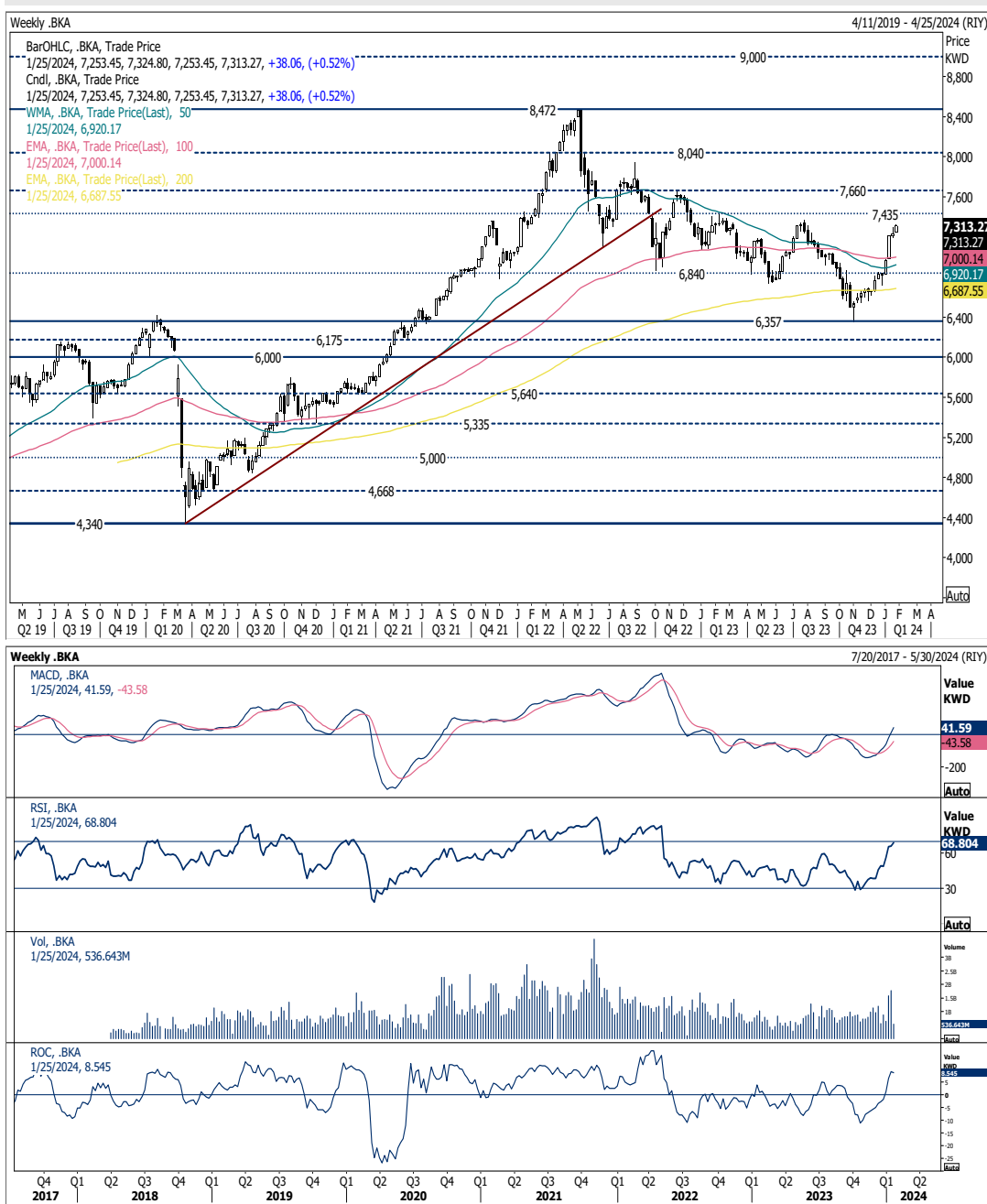
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### Boursa Kuwait

**All Share Index <.BKA> closed at 7,313.27 point.** The index continues to recover from the low of last year at 6,357 point, breaching all MAs on the weekly chart. Further advance to the next overhead resistance line at 7,435 point is still expected supported by an increase in trading activity, while above this would promote a jump back to 7,660 point. On the other side, some attempts to inch down as part of a natural correction move cannot be ignored but not expected to be aggressive, knowing that the nearby support levels are located at 7,195 point, 7,000 point and 6,840 point.

Medium-term and long-term investors can stay in the market with a stop-loss below 7,000 point and 6,660 point, respectively.



Raed Diab

Vice President

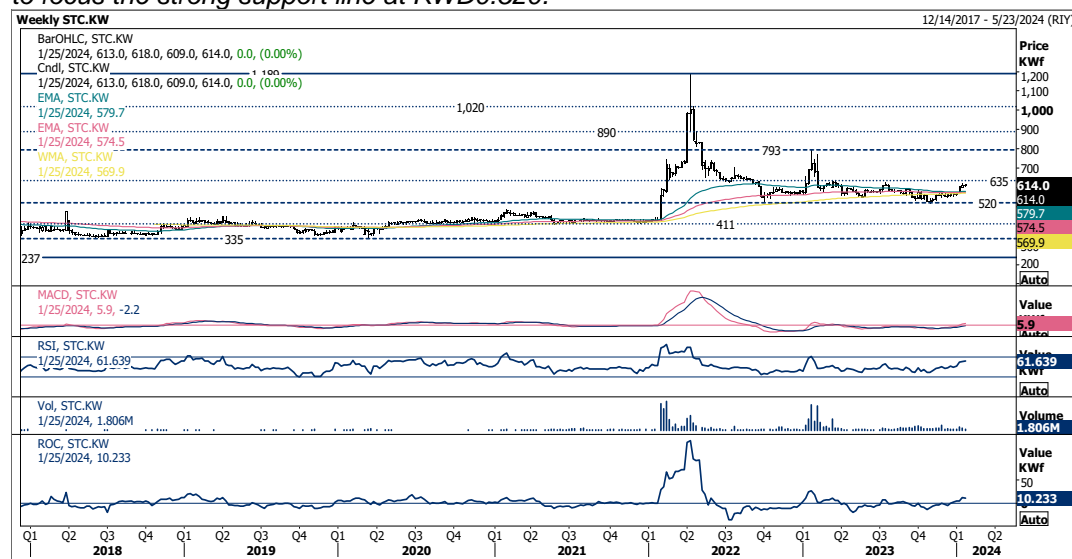
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## Kuwait Telecommunications Co.

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

**Price closed at KWD0.614.** The stock managed to surpass its MAs on the weekly chart and eyes now have shifted towards the resistance level at KWD0.635, which if broken would seal a more constructive outlook and open the road for a gradual increase to KWD0.793 (high of last year). However, a fall below KWD0.575 could delay the upward potential and bring back to focus the strong support line at KWD0.520.



RSI (W)	61.639
MACD (W)	-2.200
ROC (W)	10.233
MA50 (W)	0.580
MA100 (W)	0.575
MA200 (W)	0.570
S1	0.520
S2	0.460
S3	0.411
R1	0.635
R2	0.700
R3	0.793

## ALAFCO Aviation Lease and Finance Co.

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

**Price closed at KWD0.203.** The stock has successfully closed above the upper end of the descending trend line after finding a strong support level at KWD0.162, while a break above the horizontal level at KWD0.220 would increase the chances of targeting KWD0.234 before KWD0.256. On the counter side, the nearby support levels are located at KWD0.180 and KWD0.162 but a fall below this is not favored.



RSI (W)	65.492
MACD (W)	0.400
ROC (W)	20.833
MA50 (W)	0.186
MA100 (W)	0.192
MA200 (W)	0.196
S1	0.185
S2	0.162
S3	0.138
R1	0.234
R2	0.256
R3	0.305

**Mabanee Co.**

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

**Price closed at KWD0.798.** The stock eased down from its all-time high at KWD0.894 but remains within the long-term ascending trend line and above the 200-weeks MA; however, a dip below the support level at KWD0.760 would most likely trigger further downward correction and lead to KWD0.679. On the positive side, back above KWD0.850 would call for a re-test of KWD0.894 and maybe higher to KWD0.950.

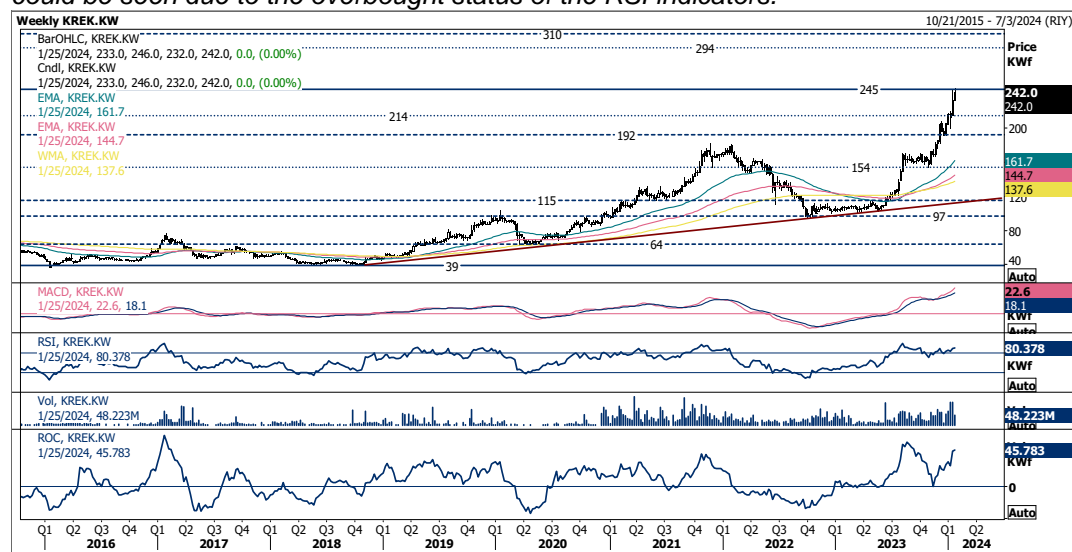


RSI (W)	45.181
MACD (W)	2.700
ROC (W)	-4.087
MA50 (W)	0.820
MA100 (W)	0.805
MA200 (W)	0.760
S1	0.760
S2	0.679
S3	0.600
R1	0.850
R2	0.894
R3	0.950

**Kuwait Real Estate Co.**

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

**Price closed at KWD0.242.** The stock has seen a noticeable increase, reaching levels last seen in March-2006 supported by its move within the ascending trend line and the close above all MAs on the weekly chart, while it shows promises for further gains to KWD0.294 before KWD0.310. However, an aggressive move down is not favored but some correction could be seen due to the overbought status of the RSI indicators.



RSI (W)	80.378
MACD (W)	18.100
ROC (W)	45.783
MA50 (W)	0.160
MA100 (W)	0.145
MA200 (W)	0.138
S1	0.214
S2	0.192
S3	0.154
R1	0.245
R2	0.294
R3	0.310

## 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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