

## Technical Analysis – Boursa Kuwait

25-July-2022

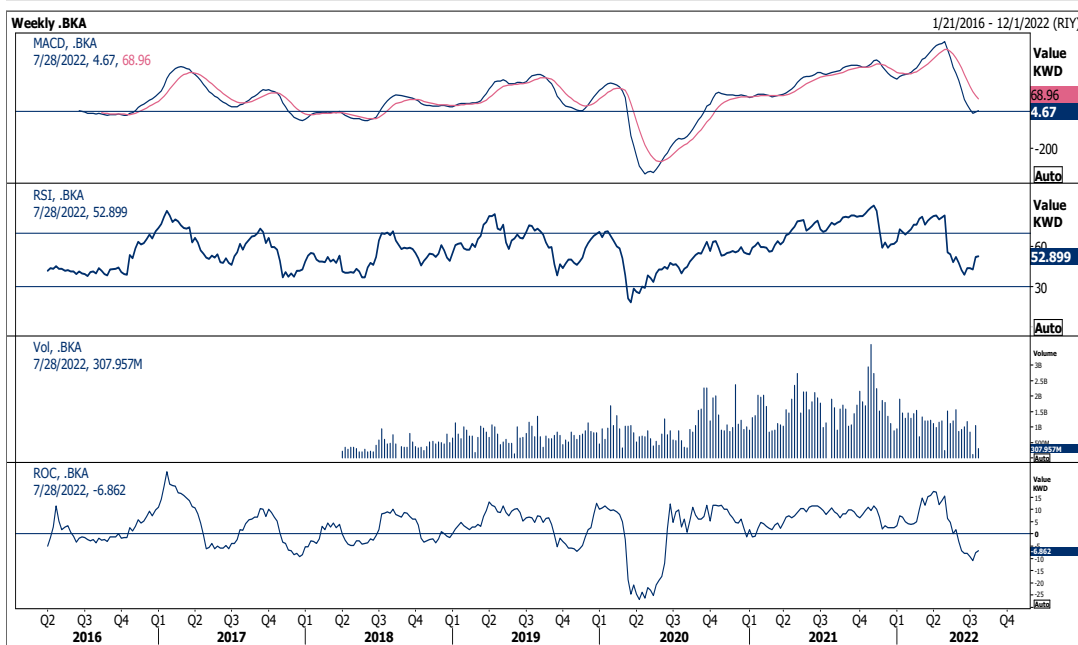
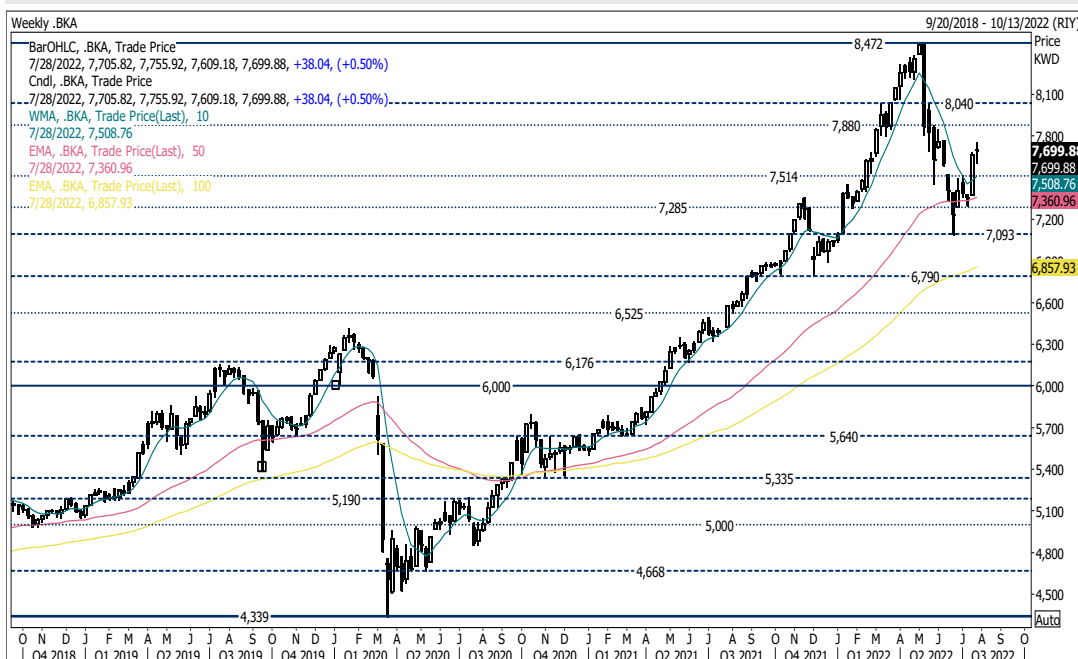
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### Boursa Kuwait

**All Share Index <.BKA> closed at 7,699.88 point.** The support zone at 7,285 point-7,000 point prevented further slippage, as it was expected in our last analysis, supported by an increase in trading activity and the oversold status of the daily RSI indicators; however, additional gains above the resistance level at 7,880 point would enhance further buying momentum and lead to 8,040 point. On the negative side, a dip below 7,285 point will bring back to focus the low of last month at 7,093 point, while a break below it is expected to trigger a fall to 6,790 point.

Medium-term and long-term investors can stay in the market with a stop-loss below 7,285 point and 6,790 point, respectively.



Raed Diab

Vice President

+(965) 2233 6908

[rdiab@kamcoinvest.com](mailto:rdiab@kamcoinvest.com)



## Mezzan Holding Co.

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

**Price closed at KWD0.445.** One more time, the critical support level at KWD0.385 (all-time low) arrested further weaknesses and forced the stock to inch upwards. The relief is still not enough to decrease the downside risk but a close above KWD0.520 will confirm a return to KWD0.560 and maybe higher to KWD0.610. However, a sudden break below KWD0.385 will allow a fall to KWD0.300.

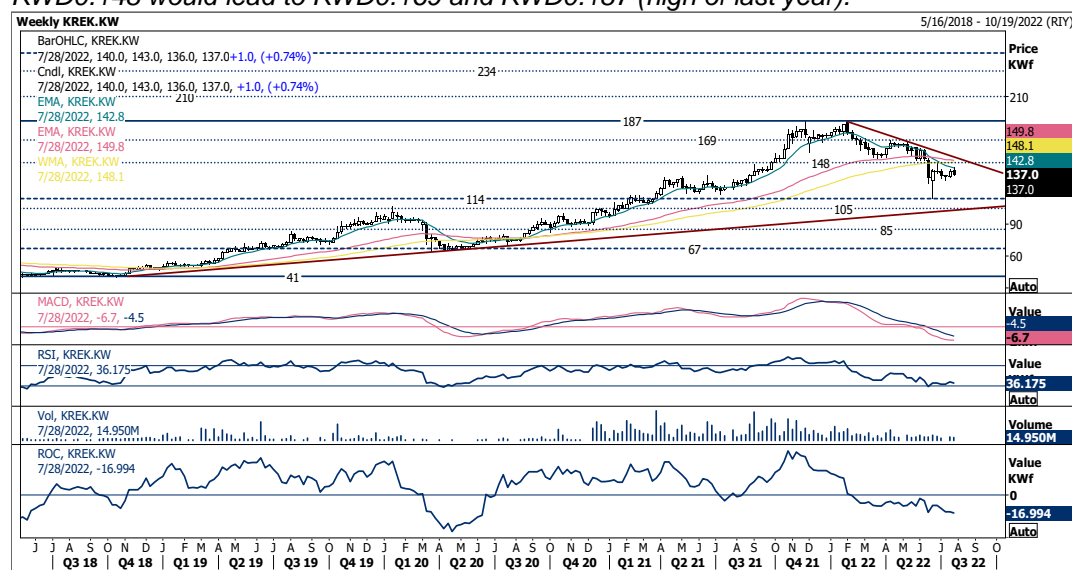


RSI	32.192
MACD	-33.900
ROC	-20.923
M10	0.435
M50	0.530
M100	0.560
S1	0.385
S2	0.360
S3	0.330
R1	0.520
R2	0.610
R3	0.679

## Kuwait Real Estate Co.

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

**Price closed at KWD0.137.** The stock continues to move within the 5-months descending trend line and below all MAs on the weekly chart. Continuous failure to surpass the resistance level at KWD0.148 could lead to further slippage to KWD0.114 before KWD0.105, while below this could trigger a dip back to KWD0.085. On the counter side, a break above KWD0.148 would lead to KWD0.169 and KWD0.187 (high of last year).



RSI	36.175
MACD	-4.500
ROC	-16.994
M10	0.143
M50	0.150
M100	0.148
S1	0.114
S2	0.105
S3	0.085
R1	0.148
R2	0.169
R3	0.187

## 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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**Kamco Investment Company - K.S.C. (Public)**

Al-Shaheed Tower, Khalid Bin Al-Waleed Street- Sharq

P.O. BOX : 28873, Safat 13149, State of Kuwait

Tel: (+965) 2233 6600 Fax: (+965) 2249 2395

Email : [kamcoird@kamcoinvest.com](mailto:kamcoird@kamcoinvest.com)

Website : [www.kamcoinvest.com](http://www.kamcoinvest.com)