

GCC Technical Monitor

28-December-2020

In this Report...

GCC Indices.....	1
Technical Tables.....	2
Technical Tables.....	3
Technical Tables.....	4

GCC Indices

Kuwait- All Share Index <.BKA> closed at 5,555.26 point. No change to the overall technical picture as the index continues to move within the ascending trend line and no negative reversal pattern has been spotted yet, but bulls need to cross over the recent high at 5,647 point to gain more confidence and lead to the strong resistance level at 5,800 point, knowing that only above this will confirm a positive continuation pattern. However, a fall below the first support level at 5,520 point will call for a slippage to 5,440 point and maybe lower to 5,335 point but only a close below this will shift the sentiment towards the bears.

Saudi Arabia- Tadawul All Share Index <.TASI> closed at 8,715.38 point. The market remains within the positive territory and further gains cannot be neglected, knowing that managing to surpass the first overhead resistance level at 9,100 point will target the strong layer at 9,400 point. On the negative side, some attempts to go down could take place, while a break below the support line at 8,450 point would lead to 8,065 point but losing this will trigger the strong support level at 7,840 point.

UAE- ADX General Index <.ADI> closed at 5,106.310 point. It will not be surprised to see a downward correction move after a prolonged positive move, which led to levels last seen in January-2020. A close below the support level at 5,000 point will allow additional weaknesses to take place to the next line at 4,850 point and maybe lower to 4,715 point. On the counter side, only above the recent high at 5,160 point will re-activate the buying momentum to fulfill 5,256 point before the critical line at 5,426 point.

UAE- DFM General Index <.DFMGI> closed at 2,514.60 point. The index fulfilled its target level at around 2,585 point before easing down but remains above all MAs on the weekly chart. A firm close above 2,585 point will most likely attract further strength to 2,760 point before the strong line at 2,950 point. However, back below the first defense line at 2,440 point would bring back to focus 2,320 point, while a break below it will trigger 2,140 point.

Qatar- QE Index <.QSI> closed at 10,559.360 point. Eyes now have shifted towards the critical resistance level at 10,810 point, which if broken would seal a more constructive outlook and allow a jump to 11,100 point before 11,400 point. On the other hand, some weaknesses could be seen as part of a natural correction after a noticeable bullish move, knowing that the nearby support levels are located at 10,415 point and 10,080 point, while only below this will delay the upward move and trigger 9,585 point.

Bahrain- Bahrain All-Share Index <.BAX> closed at 1,490.160 point. As was expected in our last analysis, the market approached the resistance level at 1,500 point (61.8% level of the Fibonacci Retracements from 1,669 point-1,227 point), while bulls are required to print a foothold above it to anticipate another leg up to 1,550 point and maybe more to 1,600 point. However, losing the first support line at 1,450 point would lead to 1,420 point, while a fall below this is expected to target 1,390 point.

Oman- Muscat SE General Index <.MSI> closed at 3,624.540 point. The market is still lacking clear technical signs to confirm that a bottom at 3,367 point has been posted; however, the first improvement sign would be the break above last August high at 3,782 point, which should then open the space for gradual increase to 4,200 point. On the other side, a fall below the first support level at 3,535 point will trigger 3,445 point, while below this will lead to a re-test of 3,367 point (low of last March).

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KUWAIT

Company	RIC	Closing Price	Resistance 1	Resistance 2	Support 1	Support 2	Comments
National Bank of Kuwait	NBKK.KW	0.841	0.915	0.962	0.800	0.745	Neutral
Kuwait Finance House	KFH.KW	0.676	0.717	0.760	0.640	0.540	Hold while above KWD0.640
Zain	ZAIN.KW	0.606	0.630	0.680	0.566	0.500	Hold while above KWD0.566
Boubyan Bank	BOUK.KW	0.568	0.625	0.655	0.545	0.500	Hold while above KWD0.545
Agility	AGLT.KW	0.672	0.748	0.875	0.605	0.520	Hold while above KWD0.605
Commercial Bank of Kuwait	CBKK.KW	0.515	0.570	0.650	0.465	0.410	Neutral
Gulf Bank	GBKK.KW	0.217	0.245	0.280	0.210	0.180	Neutral
Burgan Bank	BURG.KW	0.211	0.230	0.270	0.197	0.175	Neutral
Ahli United	BKME.KW	0.291	0.320	0.348	0.270	0.233	Hold while above KWD0.270
Mabanee	MABK.KW	0.660	0.690	0.766	0.619	0.558	Neutral

Saudi Arabia

Company	RIC	Closing Price	Resistance 1	Resistance 2	Support 1	Support 2	Comments
Sabir	2010.SE	101.20	110.50	120.80	94.60	84.60	Hold while above SAR88.70
Saudi Telecom	7010.SE	105.00	110.00	117.40	99.40	94.00	Hold while above SAR99.40
Al-Rajhi Bank	1120.SE	74.20	76.90	94.55	72.00	64.00	Hold while above SAR64.00
National Commercial Bank	1180.SE	43.25	50.70	58.90	35.60	30.45	Neutral
Samba Financial Group	1090.SE	30.30	31.35	34.95	26.45	24.90	Hold while above SAR28.00
Riyad Bank	1010.SE	20.36	21.00	25.70	17.70	16.55	Neutral
Saudi Electricity	5110.SE	21.04	23.45	26.05	19.75	16.50	Hold while above SAR18.30
Maaden	1211.SE	41.25	44.00	46.50	38.60	32.10	Hold while above SAR40.00
Almarai	2280.SE	54.90	62.80	68.80	50.90	42.00	Hold while above SAR50.90
SABB	1060.SE	24.80	27.95	37.00	23.10	18.20	Neutral

Abu Dhabi

Company	RIC	Closing Price	Resistance 1	Resistance 2	Support 1	Support 2	Comments
First Abu Dhabi Bank	FAB.AD	13.120	14.320	16.960	10.000	7.780	Hold while above AED12.380
Emirates Telecom	ETISALAT.AD	17.340	18.000	20.200	16.100	14.520	Hold while above AED16.100
AD Commercial Bank	ADCB.AD	6.180	6.500	7.370	5.420	4.840	Hold while above AED5.420
AD National Oil	ADNOCDIST.AD	3.790	3.950	4.100	3.270	3.000	Hold while above AED3.000
AD Islamic Bank	ADIB.AD	4.730	5.100	5.850	4.260	3.580	Hold while above AED4.260
Aldar Properties	ALDAR.AD	3.220	4.090	4.840	2.670	2.370	Hold while above AED2.370
Agthia Group	AGTHIA.AD	4.160	5.000	5.690	3.990	3.250	Hold while above AED3.250
National Bank of Ras Alkhaimah	RAKBANK.AD	3.880	5.000	6.290	3.330	1.840	Neutral
Dana Gas	DANA.AD	0.710	0.786	0.980	0.606	0.525	Neutral
AD National Energy Co.	TAQA.AD	1.430	1.650	1.900	1.270	1.090	Hold while above AED1.090

Dubai

Company	RIC	Closing Price	Resistance 1	Resistance 2	Support 1	Support 2	Comments
Emirates NBD Bank	ENBD.DU	10.550	11.400	13.930	9.300	7.800	Hold while above AED9.900
Emaar Properties	EMAR.DU	3.580	3.850	4.700	3.050	2.550	Hold while above AED2.900
DB Islamic Bank	DISB.DU	4.640	5.240	5.900	4.000	3.750	Hold while above AED4.000
Emaar Malls	EMAA.DU	1.870	2.170	2.380	1.650	1.400	Hold while above AED1.600
Emirates Integrated Telecom	DU.DU	5.740	5.900	6.350	5.400	4.970	Hold while above AED5.400
Emaar Development	EMAARDEV.DU	2.790	3.390	3.970	2.580	2.040	Hold while above AED2.380
National Central Cooling	TABR.DU	2.620	2.750	3.000	2.400	2.130	Hold while above AED2.250
Air Arabia	AIRA.DU	1.270	1.310	1.450	1.070	0.990	Hold while above AED1.170
Damac Properties	DAMAC.DU	1.330	1.750	2.480	1.000	0.815	Neutral
Aramex	ARMX.DU	4.400	5.010	5.500	3.900	3.200	Hold while above AED3.700

Qatar

Company	RIC	Closing Price	Resistance 1	Resistance 2	Support 1	Support 2	Comments
Qatar National Bank	QNBK.QA	18.090	19.200	21.250	17.300	15.710	Neutral
Industries Qatar	IQCD.QA	11.060	12.650	14.900	8.880	7.600	Hold while above QAR8.880
Qatar Islamic Bank	QISB.QA	17.360	17.830	20.000	15.680	13.110	Hold while above QAR15.680
Masraf Al Rayan	MARK.QA	4.540	5.000	5.170	4.085	3.800	Hold while above QAR4.085
Ezdan Holding	ERES.QA	1.804	2.340	3.140	1.360	0.900	Hold while above QAR1.360
Ooredoo	ORDS.QA	7.860	8.250	10.300	5.700	4.805	Hold while above QAR6.750
Qatar Fuel	QFLS.QA	18.810	21.300	23.830	16.900	15.300	Neutral
Qatar Electricity & Water	QEWQ.QA	18.150	20.530	24.790	16.310	13.200	Hold while above QAR16.310
Qatar Commercial Bank	COMB.QA	4.400	4.500	5.100	3.850	3.630	Neutral
Barwa Real Estate	BRES.QA	3.414	3.680	4.180	3.150	2.750	Hold while above QAR3.150

Oman

Company	RIC	Closing Price	Resistance 1	Resistance 2	Support 1	Support 2	Comments
Bank Muscat	BKMB.OM	0.392	0.406	0.448	0.328	0.300	Neutral
Omantel	OTEL.OM	0.708	0.900	1.080	0.640	0.520	Hold while above OMR0.640
Bank Dhofar	BKDB.OM	0.095	0.115	0.146	0.090	0.080	Bearish/Buy above OMR0.115
Al Anwar Ceramic Tiles	AACT.OM	0.250	0.295	0.326	0.200	0.150	Hold while above OMR0.155
National Bank of Oman	NBOB.OM	0.157	0.161	0.181	0.150	0.110	Bearish/Buy above OMR0.161
OMInvest	OMVS.OM	0.332	0.360	0.414	0.296	0.223	Bearish/Buy above OMR0.340
HSBC Bank Oman	HBMO.OM	0.091	0.100	0.120	0.085	0.070	Bearish/Buy above OMR0.100
Sohar International Bank	BKSB.OM	0.092	0.112	0.131	0.077	0.060	Bearish/Buy above OMR0.100
Ahli Bank	ABOB.OM	0.125	0.159	0.190	0.110	0.090	Neutral
Bank Nizwa	BKNZ.OM	0.096	0.104	0.120	0.083	0.072	Bearish/Buy above OMR0.104

Bahrain

Company	RIC	Closing Price	Resistance 1	Resistance 2	Support 1	Support 2	Comments
Ahli United Bank (US\$)	AUBB.BH	0.766	0.840	1.015	0.705	0.665	Hold while above USD0.725
National Bank of Bahrain	NATB.BH	0.625	0.640	0.714	0.560	0.490	Neutral
Aluminum Bahrain	ALBH.BH	0.514	0.570	0.660	0.450	0.400	Hold while above BHD0.400
Bahrain Telecom	BTEL.BH	0.597	0.623	0.660	0.555	0.445	Hold while above BHD0.445
Arab Banking Corporation (US\$)	ABCB.BH	0.299	0.374	0.472	0.270	0.240	Neutral
Bank of Bahrain and Kuwait	BBKB.BH	0.495	0.530	0.610	0.450	0.390	Bearish/Buy above BHD0.500
Khaleeji Commercial Bank	KHCB.BH	0.053	0.065	0.076	0.045	0.034	Hold while above BHD0.045
APM Terminal Bahrain	APMTB.BH	1.560	1.900	2.200	1.450	1.300	Hold while above BHD1.400
Gulf Finance House (US\$)	GFHB.BH	0.165	0.210	0.295	0.130	0.100	Hold while above BHD0.155
Al Salam Bank	SALAM.BH	0.074	0.100	0.136	0.069	0.059	Bearish/Buy above BHD0.079

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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