Technical Analysis – Muscat Stock Exchange

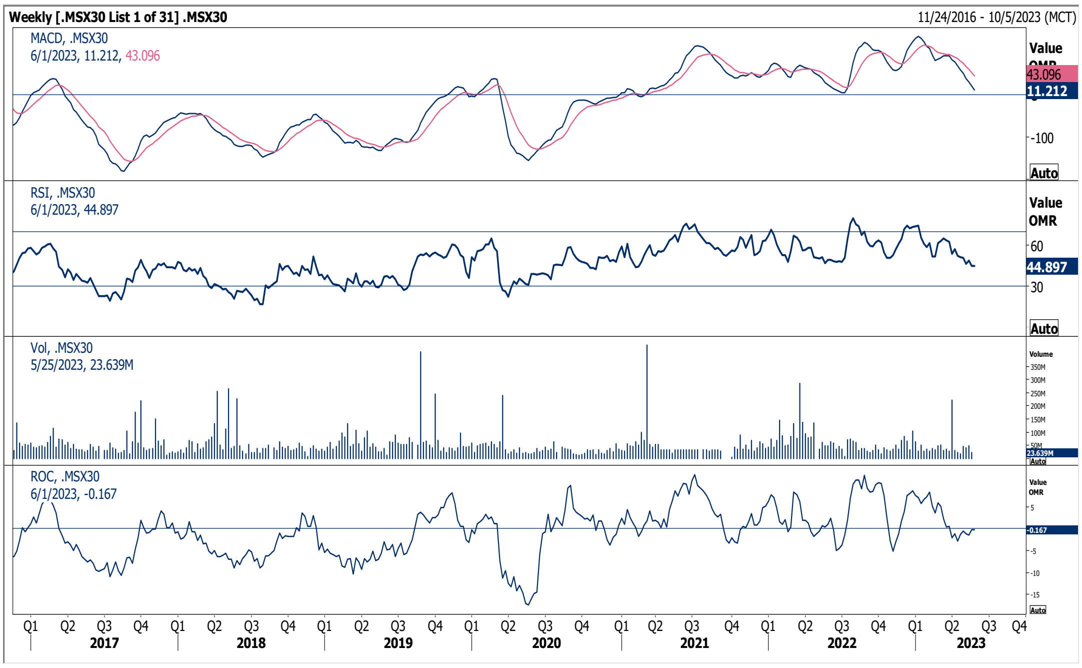
29-May-2023

In this Report…

Muscat Stock Exchange

MSX Index <.MSX30> closed at 4,642.402 point. *The index retreated after posting a high of 4,937 point, but it remains within the 3-years ascending trend line, knowing that a fall below the horizontal line at 4,615 point could increase the downside risk to 4,340 point. On the positive side, the nearby resistance levels are located at 4,760 point, 4,870 point but only above 4,937 point will confirm a positive continuation pattern and promote a jump to 5,125 point, while above this would lead to 5,235 point.*

Medium-term and long-term investors can stay in the market with a stop-loss below 4,500 point and 4,230 point, respectively.



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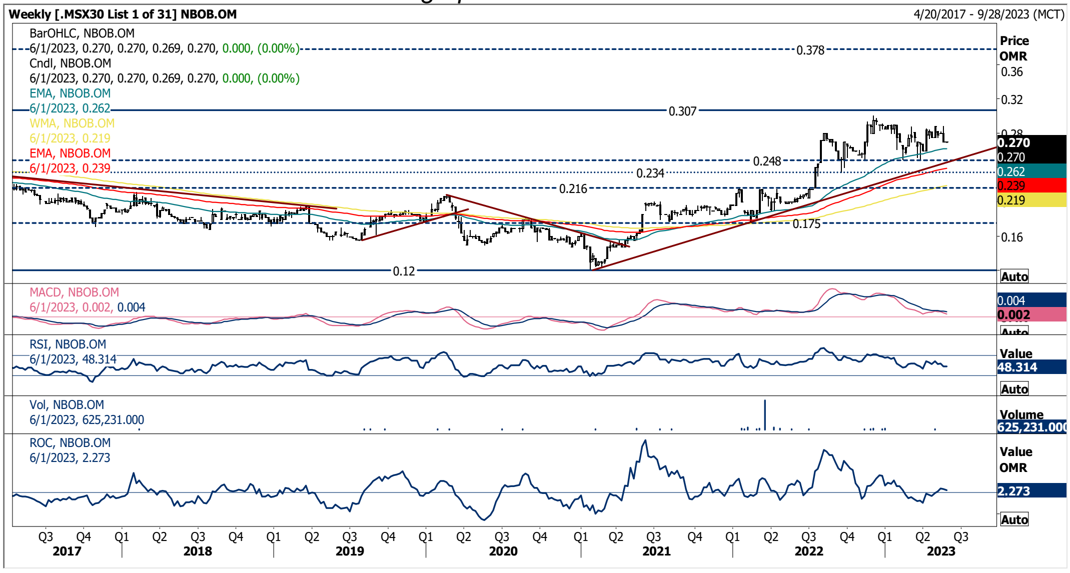
National Bank of Oman

Reuters Ticker: <NBOB.OM>

Price closed at OMR0.270. *The price failed to surpass the strong resistance level at OMR0.307 but remains well above the 200-weeks MA and the support level at OMR0.248; however, a dip below this would most likely trigger further weaknesses to the next layer of defense at OMR0.234 and maybe lower to OMR0.216. On the other side, only above OMR0.307 would call for another leg up to OMR0.345 before OMR0.378.*



RSI	48.314
MACD	0.004
ROC	2.273
MA50	0.260
MA100	0.240
MA200	0.220
S1	0.248
S2	0.234
S3	0.216
R1	0.307
R2	0.345
R3	0.378

Ahli Bank

Reuters Ticker: <ABOB.OM>

Price closed at OMR0.182. *The stock has lost its upward potential as it approached the critical resistance level at OMR0.204 (all-time high), knowing that only above this line would re-activate the buying potential and target OMR0.235. However, a fall below the horizontal line at OMR0.170 could delay any upward momentum and initiate a downward correction move to OMR0.152 and maybe more to OMR0.143.*

RSI	65.508
MACD	0.009
ROC	13.750
MA50	0.177
MA100	0.155
MA200	0.145
S1	0.170
S2	0.152
S3	0.143
R1	0.204
R2	0.235
R3	0.260

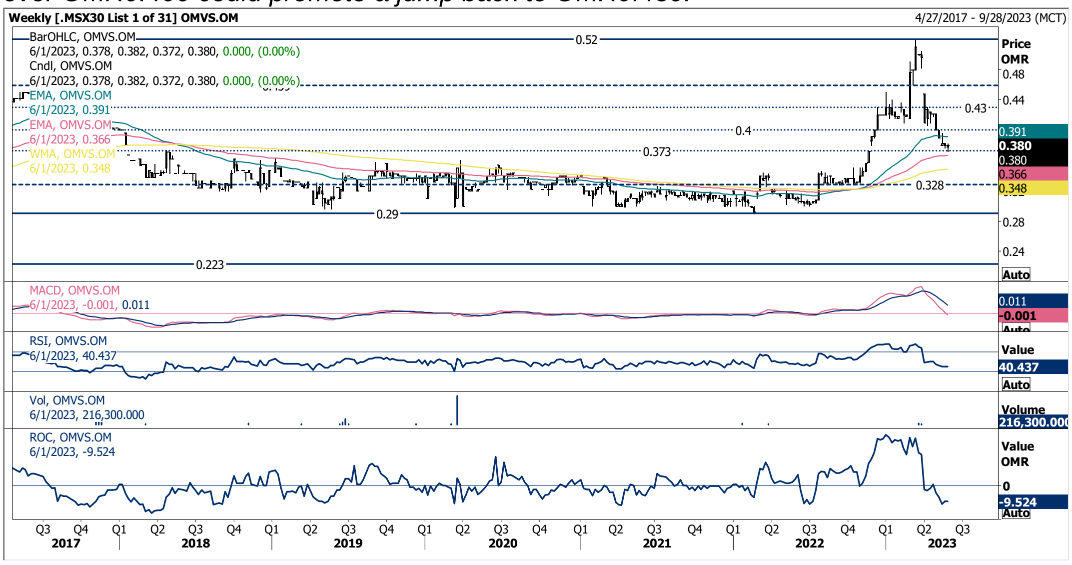
Oman Telecommunications Co. — *Reuters Ticker: <OTEL.OM>*

Price closed at OMR0.968. *The stock retreated from the multi-year high at OMR1.130 but remains within the ascending trend line and above the strong horizontal line at OMR0.908, which if broken could change the technical picture to the south and lead to OMR0.830 before OMR0.780. However, regaining strength above OMR1.050 would call for a re-test of OMR1.130, but only over this would open the space towards OMR1.250.*

RSI	48.887
MACD	0.027
ROC	3.863
MA50	0.940
MA100	0.880
MA200	0.830
S1	0.908
S2	0.830
S3	0.750
R1	10.050
R2	1.130
R3	1.250

Oman International Development & Investment Co. — *Reuters Ticker: <OMVS.OM>*

Price closed at OMR0.380. *After a noticeable move up to the all-time high at OMR0.520 (high of last March), the stock has seen an aggressive downward correction, reaching the 61.8% level of the Fibonacci Retracements from OMR0.290-OMR0.520 at OMR0.378; however, further weaknesses can still take place to OMR0.346. On the counter side, a cross over OMR0.400 could promote a jump back to OMR0.430.*



RSI	40.437
MACD	0.011
ROC	-9.524
MA50	0.390
MA100	0.365
MA200	0.350
S1	0.373
S2	0.346
S3	0.328
R1	0.400
R2	0.430
R3	0.459

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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