

Technical Analysis – Qatar Stock Exchange

10-October-2016

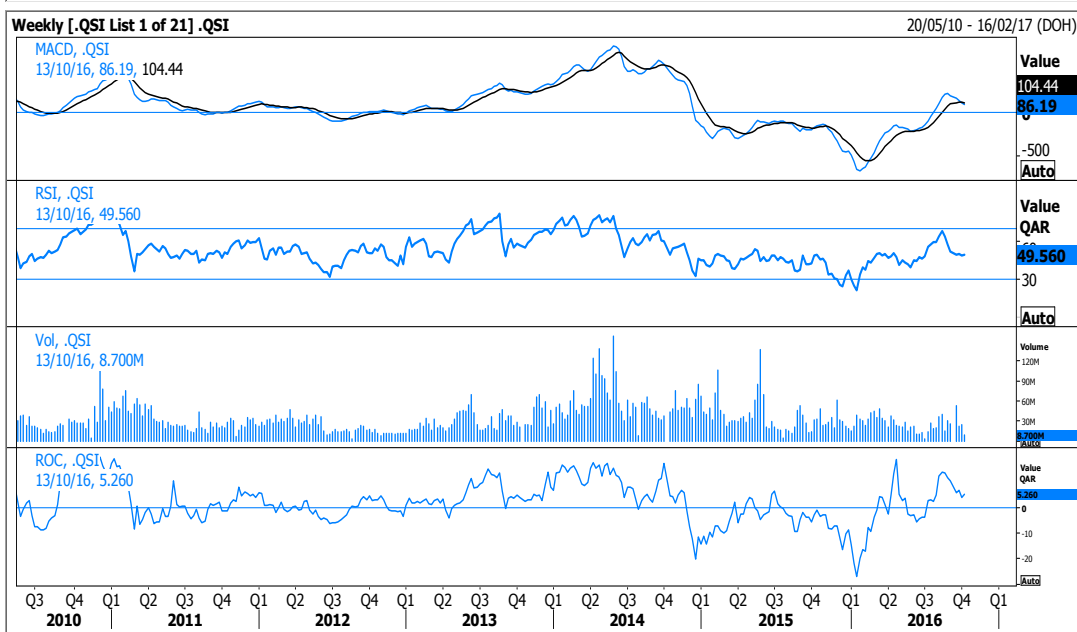
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Qatar Stock Exchange

QE Index <.QSI> closed at 10,405.20 point. The market fulfilled and exceeded the target level at 11,200 point, as was expected in our last analysis, but could not sustain its upward momentum and has shifted to a trade-range of 10,000 point-10,600 point. However, an escape of that zone would turn the picture brighter and indicate the next direction, knowing that a jump over 10,600 point will target 10,900 point and 11,100 point but for a positive continuation pattern to take place, bulls are required to push above this year high at around 11,400 point. On the counter side, a fall below 10,000 point would trigger 9,700 point and maybe further down to 9,500 point. Both weekly and daily RSI indicators are currently looking neutral.

Medium-term investors can stay in the market as long as the index closes above 10,250 point, while long-term investors can only enter above 10,600 point.



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Commercial Bank of Qatar

Reuters Ticker: <COMB.QA>

Price closed at QAR39.45. The strong support area at QAR35.30-QAR33.80 arrested further weaknesses towards the critical line at QAR27.65 and enhanced some buying activity towards the upper-end of the 2-years descending trend line before easing down. An aggressive downwards movement is unlikely but the bulls should show some strength above the tiny resistance level at QAR40.00 to increase the chances of reaching QAR47.00 once again and maybe more to QAR53.00.



RSI	47.848
MACD	-0.66
ROC	6.622
M10	40.00
M50	39.75
M100	44.90
S1	35.30
S2	33.80
S3	27.65
R1	40.00
R2	47.00
R3	53.00

Qatar International Islamic Bank

Reuters Ticker: <QIIB.QA>

Price closed at QAR64.80. The stock is moving sideways on the last couple of weeks, unable to show a clear signal. It encounters an initial resistance level at QAR65.50, which if broken would promote the next one at QAR69.40 but the main level comes at QAR73.30, knowing that a higher-high and higher-low pattern will only be seen once it crosses above QAR73.30. On the counter side, the first defense line is located at QAR60.00, which should prevent a fall to the strong one at QAR52.00.

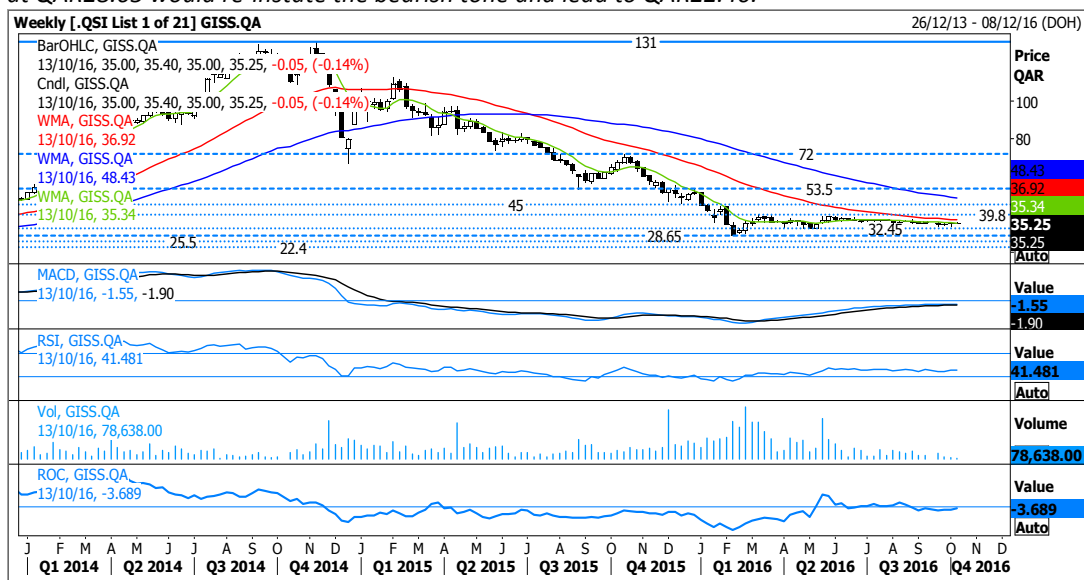


RSI	49.685
MACD	-0.40
ROC	5.366
M10	65.05
M50	64.55
M100	68.45
S1	60.00
S2	57.40
S3	52.00
R1	65.50
R2	69.40
R3	73.30

Gulf International Services Co.

Reuters Ticker: <GISS.QA>

Price closed at QAR35.25. The price is swinging between a wide range of QAR28.65-QAR39.80 since last February, while the RSI indicators is not giving any clear signal at the moment as to where it could go from here. The close above the resistance line at QAR39.80 is considered the turning point, which should then call for an establishment of a new bull trend. However, a dip below this year low at QAR28.65 would re-instate the bearish tone and lead to QAR22.40.



RSI	41.481
MACD	-1.90
ROC	-3.689
M10	36.90
M50	35.35
M100	48.45
S1	32.45
S2	28.65
S3	25.50
R1	39.80
R2	45.00
R3	53.50

Qatar Insurance Co.

Reuters Ticker: <QINS.QA>

Price closed at QAR87.50. The stock is struggling to surpass the critical resistance level at QAR92.00, neither able to fall below QAR84.50. However, continuous reluctance to cross over QAR92.00 could put some selling pressure on the support line at QAR84.50; a case if happens will bring back to focus the horizontal level at QAR77.00 and maybe QAR70.00. On the other side, a break above QAR92.00 would most likely promote QAR100.00.



RSI	59.275
MACD	2.52
ROC	18.725
M10	86.50
M50	80.00
M100	78.20
S1	84.50
S2	77.00
S3	70.00
R1	89.00
R2	92.00
R3	100.00

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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