

Technical Analysis – Dubai Financial Market

29-November-2015

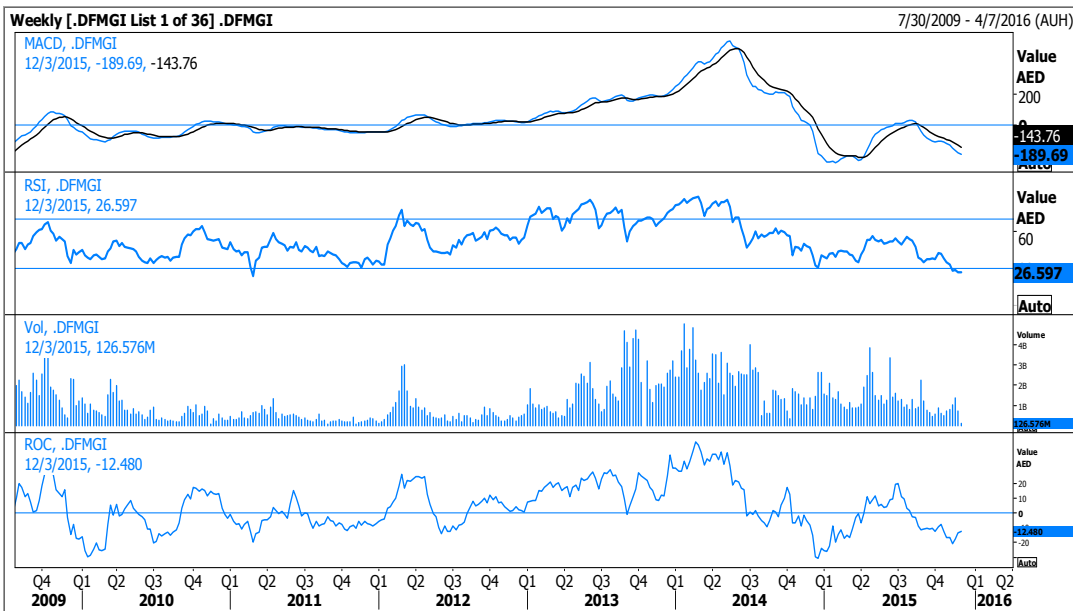
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Dubai Financial Market

DFM General Index <.DFMGI> closed at 3,193.13. The index is currently moving within a negative territory, unable to initiate any sign of reversal. Meanwhile, both weekly and daily RSI indicators are of no help at the moment to indicate the next move as they look neutral; however, managing to close above the resistance line at 3,300 point would allow a gradual move towards 3,500 point and maybe 3,760 point. On the counter side, the support level at 3,000 point is considered to be the turning point for a bearish continuation pattern to take place, knowing that managing to do so (not favored) would trigger the horizontal line at 2,750 point.

Short-term investors can enter the market near 3,000 point with a stop-loss below it, while medium-term and long-term investors can enter the market only above 3,760 point and 4,000 point, respectively.



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Aramex

Reuters Ticker: <ARMX.DU>

Price closed at AED3.200. No clear direction at the moment as the stock is trapped between AED3.000-AED3.350. The move above current price would increase the probability to reach AED3.350, while only above there will confirm a return back to AED3.650. On the negative side, a dip below the support line at AED3.000 would most likely allow a slippage to last August low at AED2.660, which could prevent further weaknesses.



RSI	45.858
MACD	-0.048
ROC	-1.840
M10	3.200
M50	3.300
M100	3.300
S1	3.000
S2	2.660
S3	2.440
R1	3.350
R2	3.520
R3	3.650

Emaar Properties

Reuters Ticker: <EMAR.DU>

Price closed at AED5.830. Unsuccessful attempts to fall below the support line at AED5.700 were noticed recently but further weaknesses cannot be ruled out on the coming period due the absence of any reversal signs. A dip below AED5.700 would call for another leg down towards AED5.100 and maybe AED4.050. However, a cross over AED6.430 would be a good sign but the price is primed to break through the horizontal line at AED7.000 to confirm a move back to AED8.390.



RSI	31.338
MACD	-0.349
ROC	-10.583
M10	6.300
M50	7.000
M100	7.565
S1	5.700
S2	5.100
S3	4.050
R1	6.430
R2	7.000
R3	8.390

Emirates Integrated Telecommunications Co.

Reuters Ticker: <DU.DU>

Price closed at AED5.070. The stock is approaching the upper end of the 21-weeks descending trend line, which comes at AED5.130 for this week, knowing that a successful close above there would be an encouraging sign that should lead to AED5.240 before AED5.590. However, the price must print a firm close above AED5.590 to validate a positive continuation pattern and target AED6.440. On the other side, only losing AED4.630 would bring back to focus the critical support line at AED3.950.

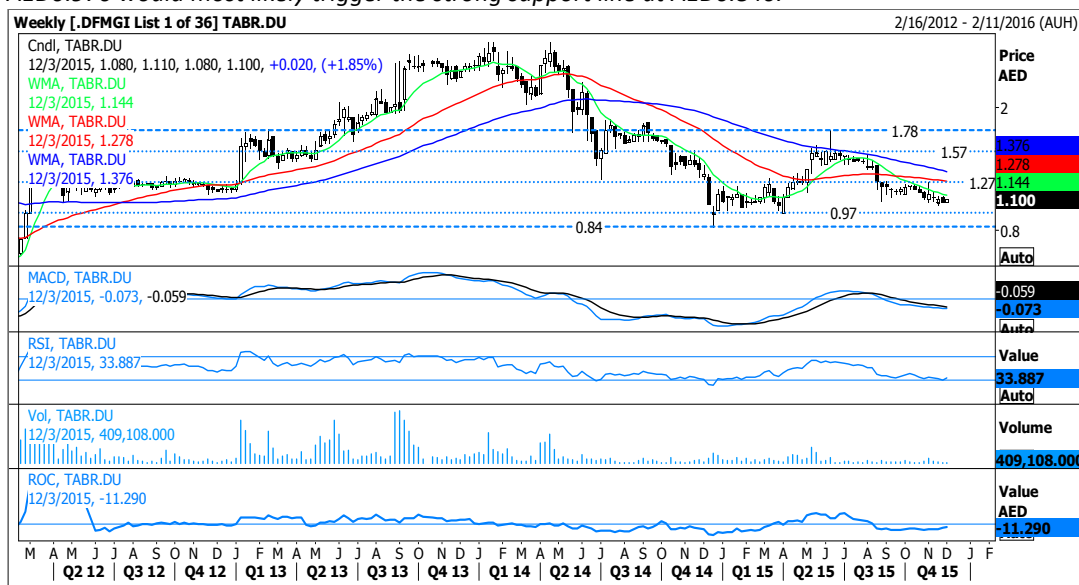


RSI	46.079
MACD	-0.030
ROC	0.000
M10	5.060
M50	5.130
M100	5.230
S1	4.890
S2	4.630
S3	3.950
R1	5.240
R2	5.590
R3	6.440

National Central Cooling Co.

Reuters Ticker: <TABR.DU>

Price closed at AED1.100. The stock can move in either way as no clear signal have been monitored yet. The price encounters a tiny resistance line at around AED1.140, while above there would lead to AED1.270; however, it is still believed that a break through AED1.270 will decrease the downside risk and allows a jump towards AED1.570 and maybe AED1.780. On the counter side, a break below AED0.970 would most likely trigger the strong support line at AED0.840.



RSI	33.887
MACD	-0.059
ROC	-11.290
M10	1.145
M50	1.280
M100	1.375
S1	1.050
S2	0.970
S3	0.840
R1	1.270
R2	1.570
R3	1.780

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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