

Technical Analysis – Qatar Stock Exchange

09-May-2017

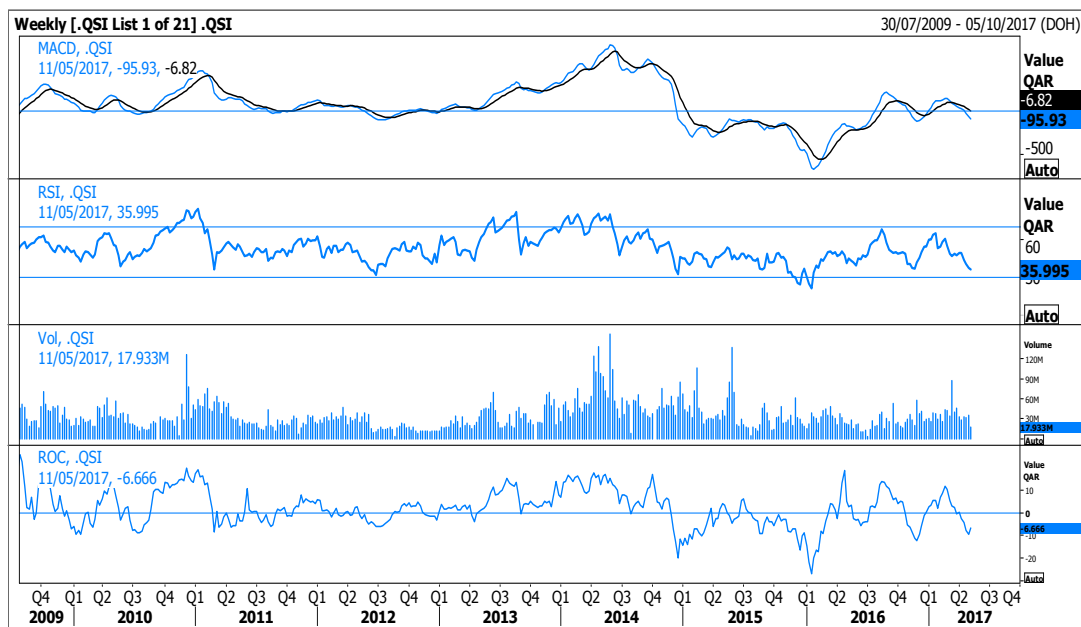
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Qatar Stock Exchange

QE Index <.QSI> closed at 9,865.78 point. The market deepened its bearish move after it broke below the support level at 10,225 point. The recent relief is natural as the daily RSI indicator has reached the oversold territory but no signs of reversal have been spotted yet, knowing that the next support level comes at 9,500 point before 9,270 point. On the counter side, a close above 10,000 point would enhance further advance towards 10,225 point but only above last month high at 10,560 point would decrease the downside risk. Weekly RSI indicator is currently looking negative.

Medium-term and long-term investors can re-enter the market once the index sustains a close above 10,200 point and 10,400 point, respectively.



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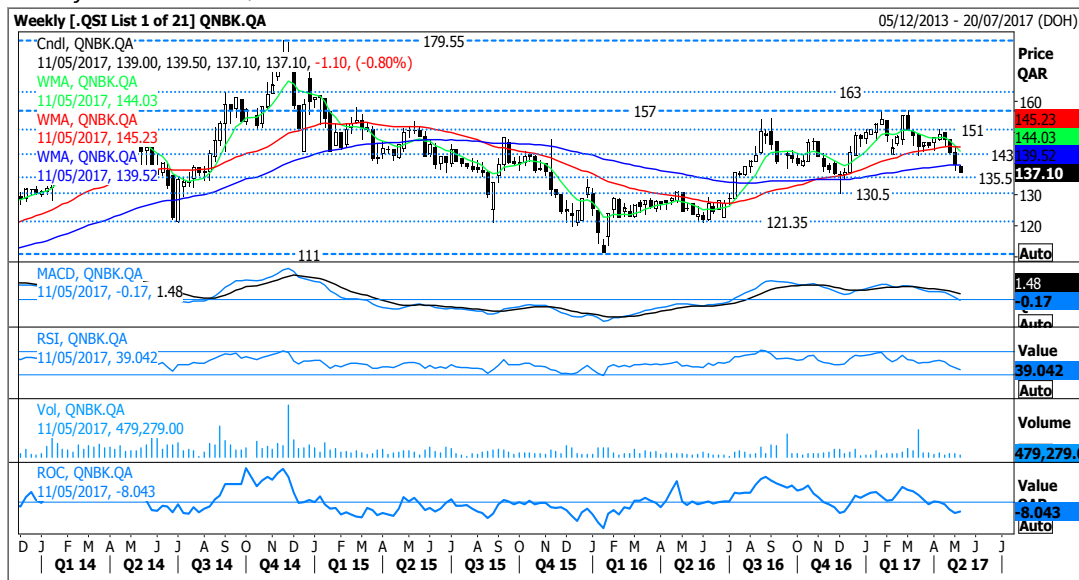
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Qatar National bank

Reuters Ticker: <QNBK.QA>

Price closed at QAR137.10. The bias is bearish as the stock is trading below its MAs, threatening to go below the horizontal line at QAR135.50. However, a break below there would call for another leg down towards the support level at QAR130.50, at which some buying activity is expected to take place. On the other side, back above QAR143.00 would be a positive sign that could promote the next level of resistance at QAR151.00.

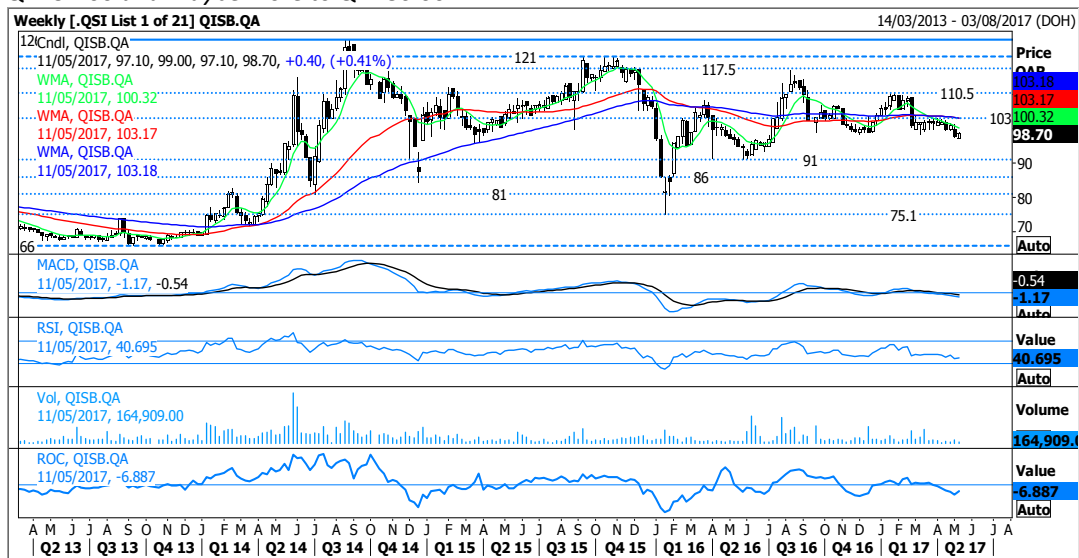


RSI	39.042
MACD	1.48
ROC	-8.043
M10	144.00
M50	145.25
M100	139.50
S1	135.50
S2	130.50
S3	121.35
R1	143.00
R2	151.00
R3	157.00

Qatar Islamic Bank

Reuters Ticker: <QISB.QA>

Price closed at QAR98.70. The stock showed continuous reluctance to surpass the resistance level at QAR103.00 (also found here MAs). The recent gain is positive but a firm close above QAR103.00 is still needed to confirm a jump back to QAR110.50. However, failing to do so would maintain the negative pressure and allow additional weaknesses to take place towards the strong support line at QAR91.00 and maybe more to QAR86.00.



RSI	40.695
MACD	-0.54
ROC	-6.887
M10	100.30
M50	103.15
M100	103.20
S1	91.00
S2	86.00
S3	81.00
R1	103.00
R2	110.50
R3	117.50

Qatar Gas Transport Co.

Reuters Ticker: <QGTS.QA>

Price closed at QAR19.10. The stock witnessed a sharp drop after failing to surpass the resistance level at QAR25.00. The price is now near the strong support level at QAR18.55 and some buying potential is projected on the short-term period, given the oversold status of the RSI indicators. The nearby resistance levels are located at QAR19.80 and QAR20.50, while above this would promote QAR22.00. However, losing QAR18.55 would deepen the bearish tone to QAR17.20.



RSI	20.796
MACD	-0.61
ROC	-20.582
M10	20.25
M50	22.55
M100	22.90
S1	18.55
S2	17.20
S3	15.40
R1	20.50
R2	22.00
R3	25.00

Qatar Navigation Co.

Reuters Ticker: <QNNC.QA>

Price closed at QAR67.30. The stock failed the first attempt to dip below the support level at QAR66.00 and some buying activity went through. The weekly RSI is reading below the 30 level (oversold territory) and a correction upwards is set to take place towards an initial target at QAR71.00, while above this would open the road for QAR75.50 and QAR78.00. On the other side, a sudden fall below QAR66.00 would lead to QAR58.50 and maybe QAR55.20.



RSI	22.440
MACD	-3.70
ROC	-27.867
M10	71.60
M50	84.40
M100	87.55
S1	66.00
S2	58.50
S3	55.20
R1	71.00
R2	75.50
R3	80.50

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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