

## Technical Analysis – Dubai Financial Market

29-May-2016

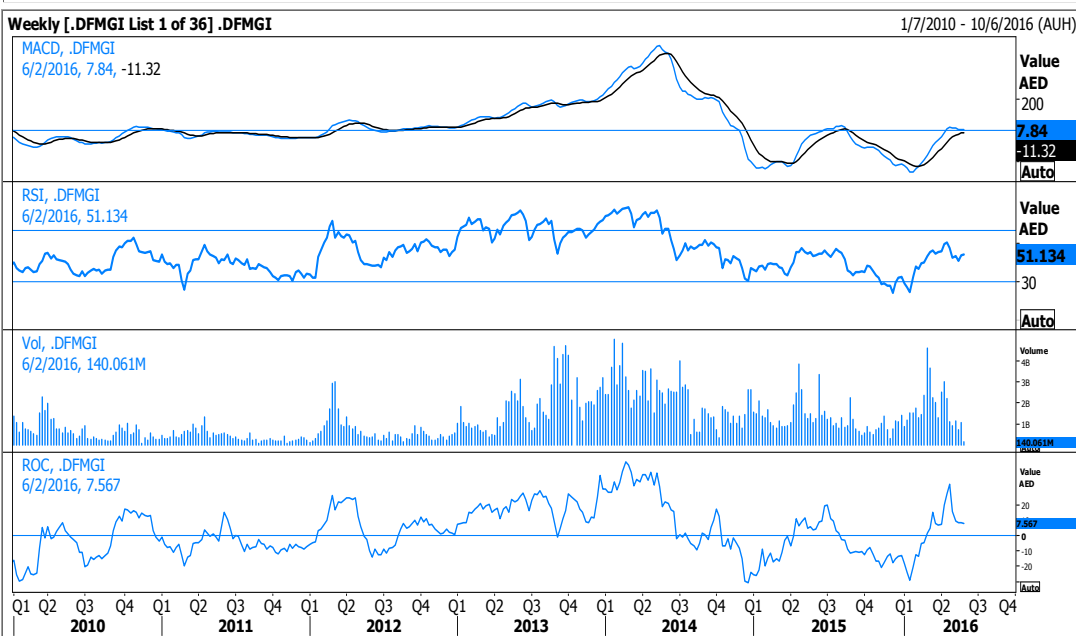
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### Dubai Financial Market

**DFM General Index <.DFMGI> closed at 3,360.47.** The market saw a rebound after reaching the horizontal line at 3,200 point and could most likely show further strength towards the resistance area at 3,370 point-3,420 point. However, a sustainable close above there would increase the chances of a re-test to last month high at around 3,600 point. On the counter side, only losing the recent low at 3,200 point would re-instate the bearish tone towards 3,100 point and maybe 3,000 point. Weekly and daily RSI indicators are leaning more towards the bulls at present.

Medium-term investors can stay in the market as the index is closing above 3,200 point, while long-term investors can enter above 3,600 point.



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Reuters Ticker: <EMAR.DU>

**Weekly [DFMGI List 1 of 36] EMAR.DU** 10/31/2015 - 7/21/2016 (AUH)

The chart displays five technical indicators for EMAR.DU over a 28-month period from Q4 2013 to Q2 2016. The price chart at the top shows a peak in late 2014 followed by a decline. The MACD indicator shows a recent crossover. The RSI is currently in the overbought region. Volume shows a significant spike in early 2016. The ROC indicates a recent uptrend.

Indicator	Value	Color
Price AED	6.660	Blue
WMA, EMAR.DU	6.380	Green
WMA, EMAR.DU	6.069	Red
MACD, EMAR.DU	0.096	Blue
RSI, EMAR.DU	53.318	Blue
Volume	1.753M	Blue
ROC, EMAR.DU	13.929	Blue

RSI	53.318
MACD	0.026
ROC	13.929
M10	6.380
M50	6.070
M100	6.660
S1	5.950
S2	5.750
S3	5.300
R1	6.440
R2	7.000
R3	7.752

Reuters Ticker: <DSI.DU>

[illegible]

RSI	53.981
MACD	0.000
ROC	32.439
M10	0.545
M50	0.495
M100	0.615
S1	0.490
S2	0.410
S3	0.340
R1	0.577
R2	0.660
R3	0.770

## Arabtec Holding Co.

Reuters Ticker: &lt;ARTC.DU&gt;

**Price closed at AED1.420.** The stock saw a brief relief after it reached near the support line at AED1.340 but still needs further confirmation to alleviate the downside risk. A move back above the horizontal line at AED1.560 would be the first positive sign that could gradually lead to a re-test of the strong resistance level at AED1.870. However, a fall below AED1.340 would most likely shift the trading range to AED1.040-AED1.340.

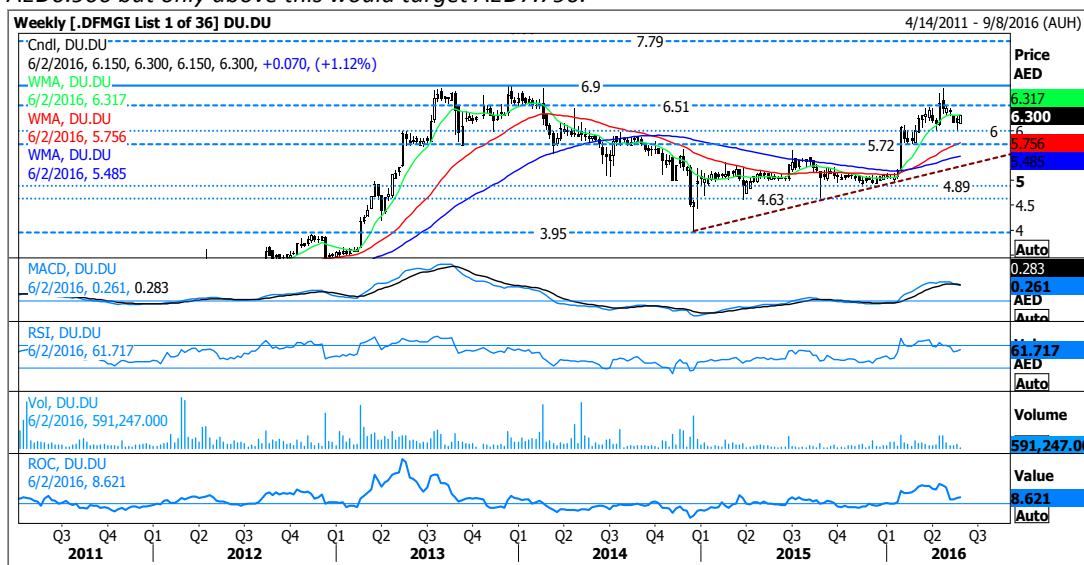


RSI	44.920
MACD	-0.026
ROC	24.561
M10	1.545
M50	1.480
M100	1.925
S1	1.340
S2	1.200
S3	1.040
R1	1.560
R2	1.870
R3	2.100

## Emirates Integrated Telecommunications Co.

Reuters Ticker: &lt;DU.DU&gt;

**Price closed at AED6.300.** The stock retreated as a result of its failure to cross over the critical resistance level at AED6.900, while the next trend is not clear at present as the price can move either way. The horizontal line at AED6.000 is now preventing a fall back to AED5.720 and maybe AED5.460; however, a break above the tiny resistance level at AED6.300 would promote AED6.510 and AED6.900 but only above this would target AED7.790.



RSI	61.717
MACD	0.283
ROC	8.621
M10	6.315
M50	5.755
M100	5.485
S1	6.000
S2	5.720
S3	5.000
R1	6.510
R2	6.900
R3	7.790

## 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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