

Technical Analysis – Qatar Stock Exchange

26-November-2018

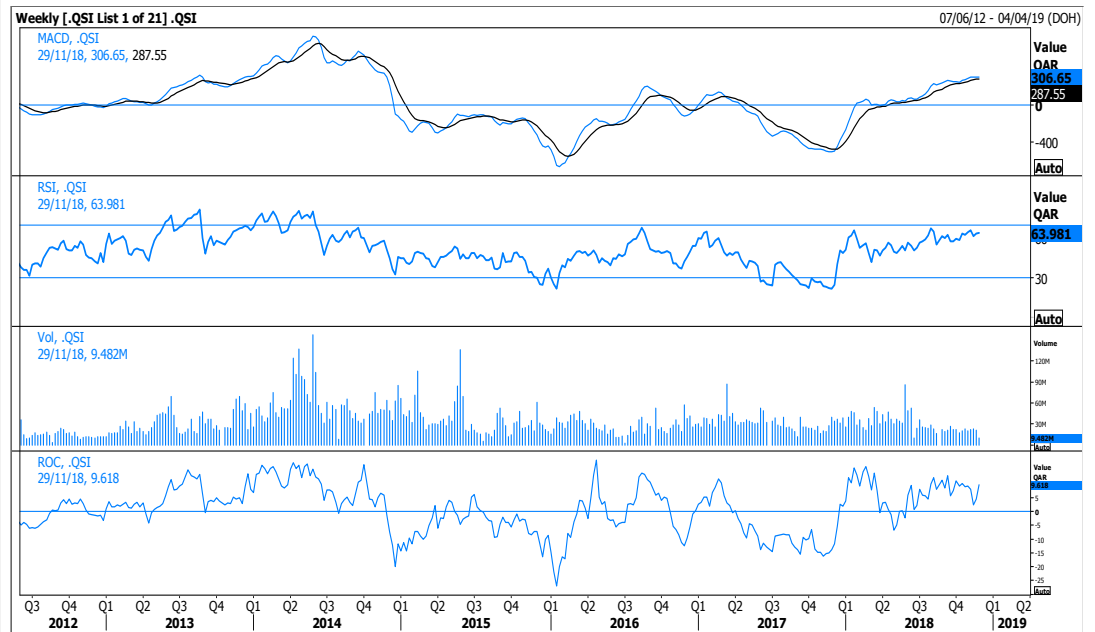
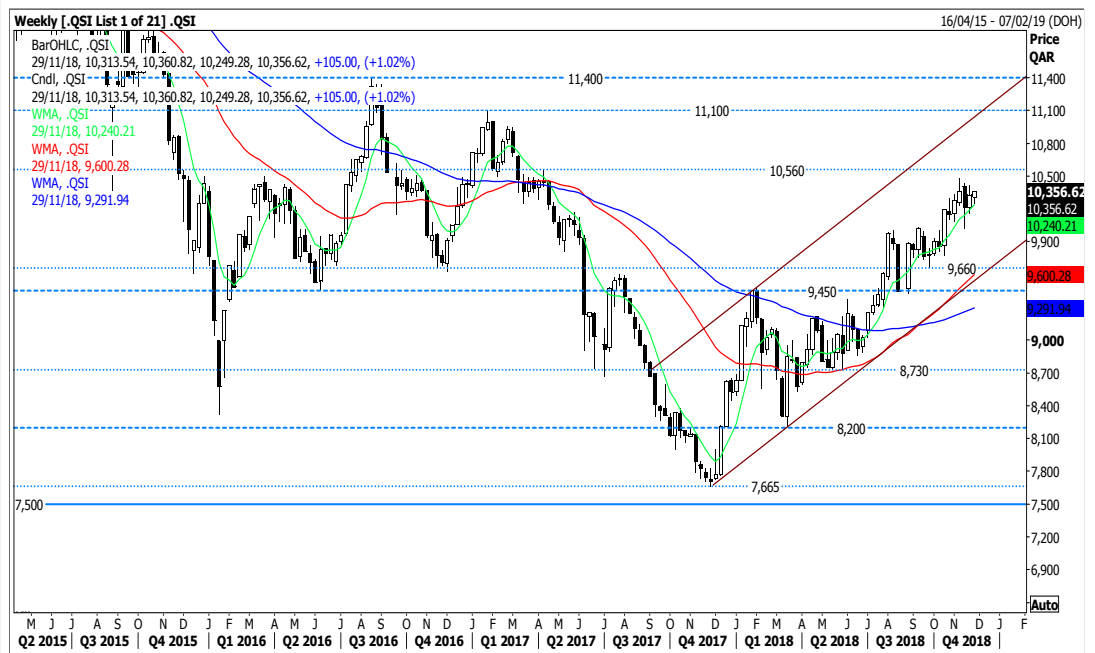
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Qatar Stock Exchange

QE Index <.QSI> closed at 10,356.62 point. The upward momentum has decreased since the index approached the resistance level at 10,560 point but the market remains moving within the positive territory and the 1-year ascending channel. However, managing to print a firm close above this line will call for another leg up towards the resistance area at 11,100 point-11,400 point. On the negative side, some attempts to go down cannot be neglected as part of a natural correction, knowing that the nearby support levels are located at 10,000 point and 9,660 point but any downward move should be limited to 9,450 point.

Medium-term and long-term investors can stay in the market as long as the index is closing above 9,600 point and 9,300 point, respectively.



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Ooredoo

Reuters Ticker: <ORDS.QA>

Price closed at QAR76.40. The stock printed a strong support at QAR66.00 on the weekly chart as it rejected further weaknesses several times. Eyes now have shifted towards the resistance level at QAR78.00, which if broken would increase the upward momentum and call for gradual gains toward the next layer at QAR92.00. However, a sudden fall below QAR66.00 would most likely allow a re-test of the critical horizontal line at QAR60.00.

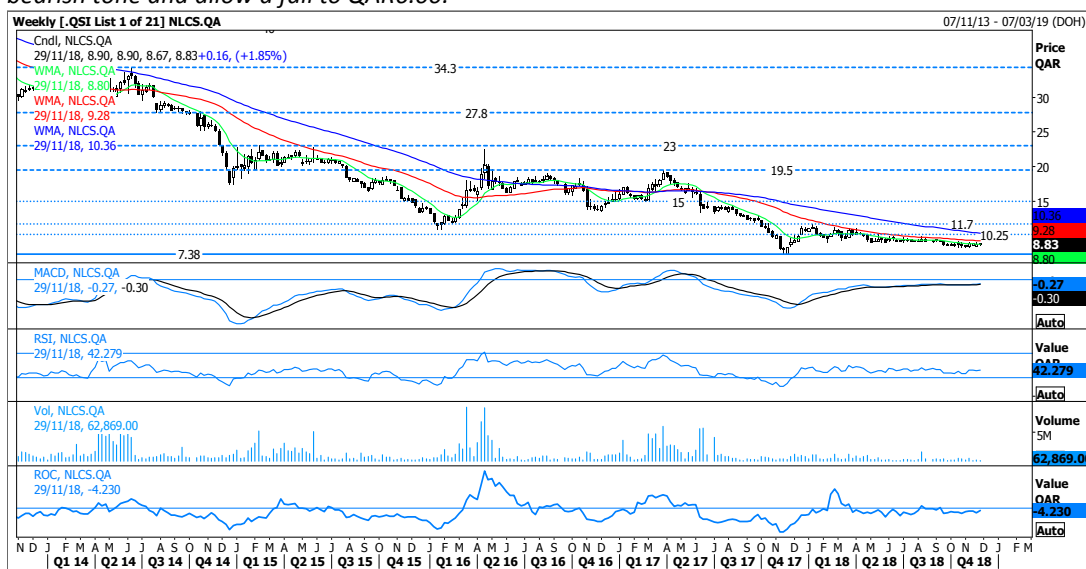


RSI	56.883
MACD	-2.03
ROC	-0.143
M10	72.00
M50	73.20
M100	80.00
S1	70.00
S2	66.00
S3	60.00
R1	78.00
R2	92.00
R3	103.00

Alijarah Holding Co.

Reuters Ticker: <NLCS.QA>

Price closed at QAR8.83. The stock has been moving sideways for the last couple of weeks, lacking a clear direction. The break above the tiny resistance level at QAR10.25 would be an initial positive sign that should lead to QAR11.70; however, only a crossover above this will establish a new bullish move and target QAR15.00. On the counter side, a dip below all-time low at QAR7.38 will re-instate the bearish tone and allow a fall to QAR6.00.

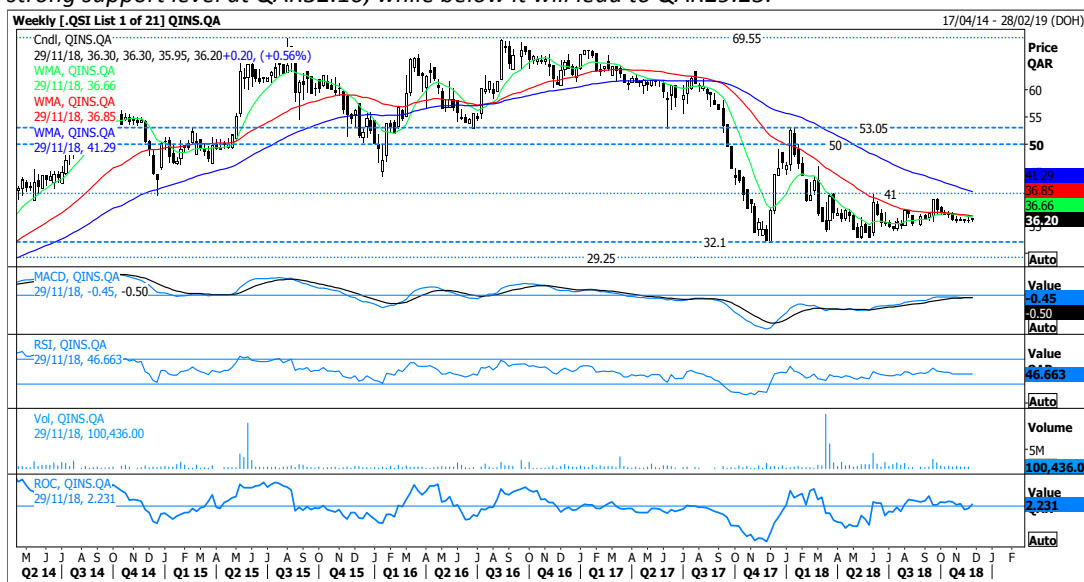


RSI	42.279
MACD	-0.30
ROC	-4.230
M10	8.80
M50	9.30
M100	10.35
S1	8.00
S2	7.38
S3	6.00
R1	10.25
R2	11.70
R3	15.00

Qatar Insurance Co.

Reuters Ticker: <QINS.QA>

Price closed at QAR36.20. The picture looks ambiguous as the stock is moving sideways, with no help at present from the RSI indicators and other indicators. A jump over QAR37.00 would initiate the first bullish signal but there it is required to surpass the resistance level at QAR41.00 to decrease the downside risk and target QAR50.00. However, back below QAR34.30 could bring back to focus the strong support level at QAR32.10, while below it will lead to QAR29.25.



RSI	46.663
MACD	-0.5000
ROC	2.231
M10	36.65
M50	36.85
M100	41.30
S1	34.30
S2	32.10
S3	29.25
R1	41.00
R2	50.00
R3	53.05

Al Khaleej Takaful Group

Reuters Ticker: <KINS.QA>

Price closed at QAR8.37. The stock continues to print new lows for this period, unable to accumulate enough buying energy to start a new bull trend. The next support level comes at QAR6.90, which could most likely prevent further weaknesses along with the oversold status of the RSI indicators on the weekly chart. On the positive side, a close above QAR10.00 should be enough to anticipate a move back to QAR11.90 and maybe QAR14.30.



RSI	26.271
MACD	-0.70
ROC	-18.182
M10	8.85
M50	10.20
M100	11.90
S1	8.10
S2	6.90
S3	6.00
R1	10.00
R2	11.90
R3	14.30

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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