

Technical Analysis – Boursa Kuwait

22-August-2017

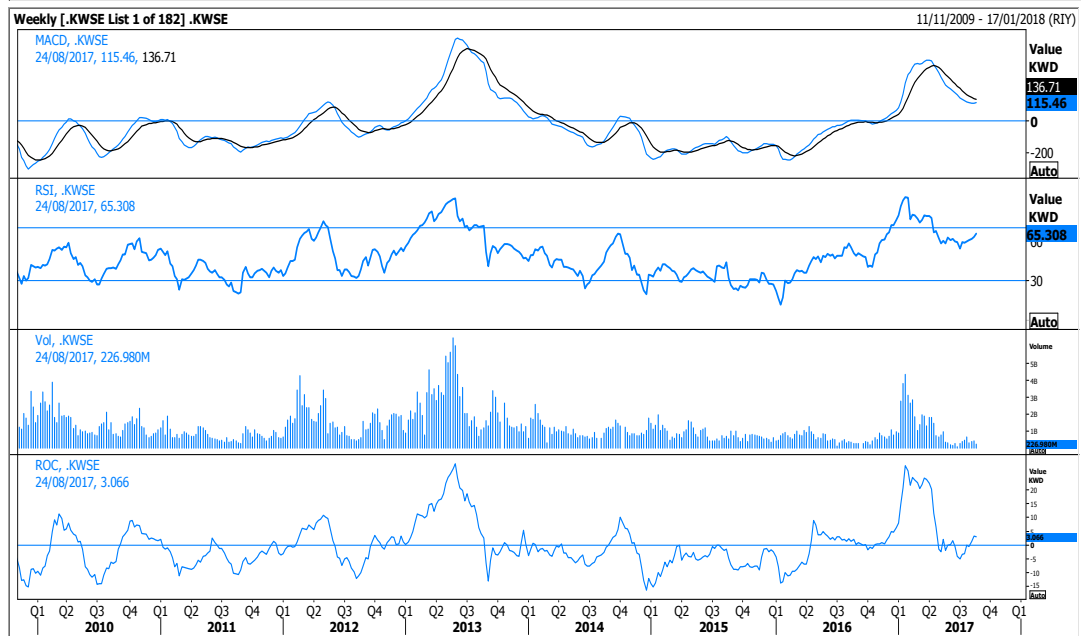
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Boursa Kuwait

The Price Index <.KWSE> closed at 6,932.01 point. The break above the horizontal line at 6,900 point would further support the positive outlook and will more likely open the road for an upward move to 7,000 point before the critical level at around 7,100 point (high of this year). This positive sentiment is still supported by the close of the index above its MAs and the bullish status of RSI indicators. On the negative side, it will not be surprised to see some downward correction on the short-term period but the overall picture remains more towards the bulls, knowing that the first line of defense comes at 6,880 point, while below it would lead to 6,810 point and 6,770 point.

Medium-term and long-term investors can stay in the market as long as the index is closing above 6,460 point and 6,270 point, respectively.



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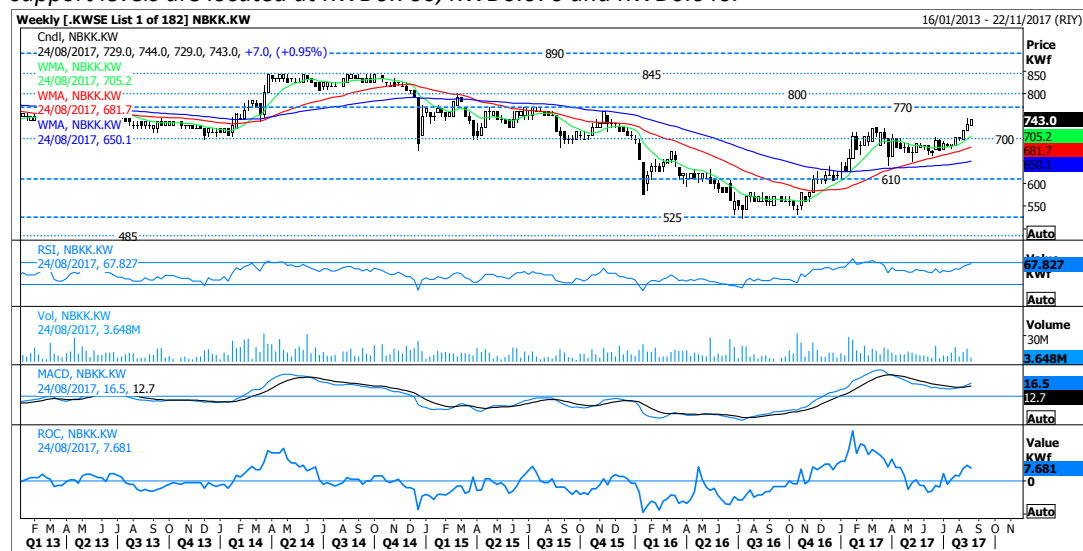
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National Bank of Kuwait

Reuters Ticker: <NBKK.KW>

Price closed at KWD0.743. The technical picture remains positive as the stock keeps on recording new highs for this period, knowing that eyes now have shifted towards the resistance area at KWD0.770-KWD0.800. However, above there would promote the strong horizontal line at KWD0.845. On the counter side, some attempts to go down cannot be neglected, knowing that the nearby support levels are located at KWD0.700, KWD0.670 and KWD0.640.



RSI	67.827
MACD	12.7
ROC	7.681
M10	0.705
M50	0.680
M100	0.650
S1	0.700
S2	0.670
S3	0.640
R1	0.770
R2	0.800
R3	0.845

Gulf Bank

Reuters Ticker: <GBKK.KW>

Price closed at KWD0.243. The current outlook is ambiguous with respect to the next direction as the stock is moving sideways between KWD0.236-KWD0.250. However, one of the two contracting line should be cleared to indicate the next move, knowing that a break above KWD0.250 would be enough to target KWD0.260 and KWD0.275. While a fall below KWD0.236 will most likely bring back last June low at KWD0.218.



RSI	49.058
MACD	0.0
ROC	-0.410
M10	0.243
M50	0.244
M100	0.240
S1	0.236
S2	0.218
S3	0.202
R1	0.260
R2	0.275
R3	0.295

Reuters Ticker: <BOUK.KW>

[illegible]

RSI	65.615
MACD	5.5
ROC	5.926
M10	0.417
M50	0.405
M100	0.392
S1	0.405
S2	0.390
S3	0.370
R1	0.440
R2	0.458
R3	0.484

Reuters Ticker: <WARB.KW>

[illegible]

RSI	61.482
MACD	7.9
ROC	7.258
M10	0.262
M50	0.251
M100	0.225
S1	0.251
S2	0.238
S3	0.214
R1	0.285
R2	0.315
R3	0.340

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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