

Technical Analysis – Muscat Securities Market

06-October-2015

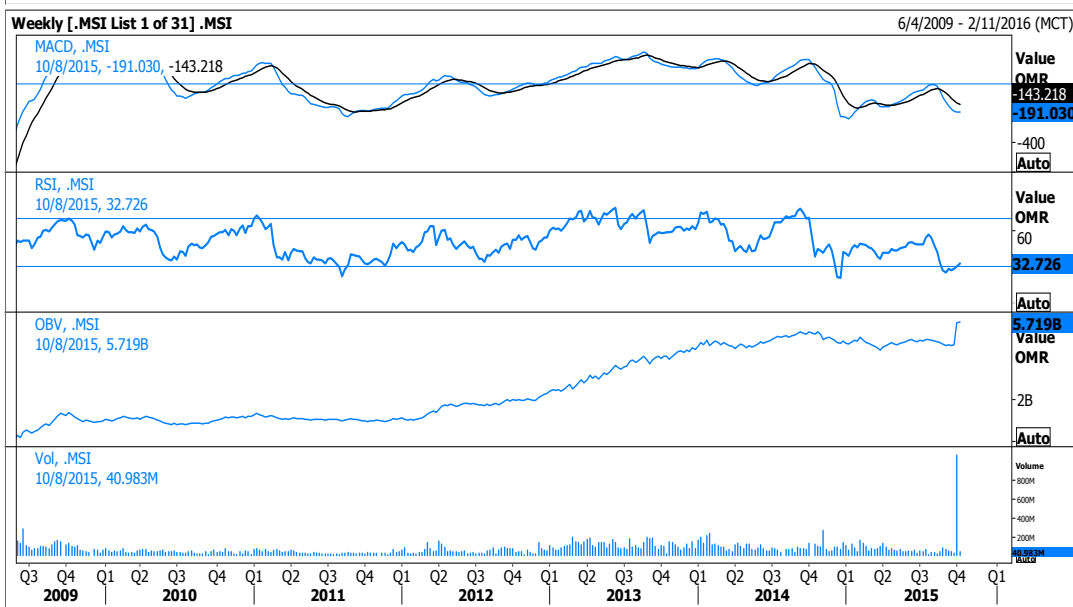
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Muscat Securities Market

MSM 30 Index <.MSI> closed at 5,831.61. The index broke out of trading range seen for the last few weeks at 5,700 point-5,800 point and is heading higher. There is a little technical resistance to stand in the way of this momentum at 5,900 point until the market reaches the resistance area at 6,000 point-6,100 point but the correction may not be so noticeable as the market remains within its bearish trend. Meanwhile, momentum is recovering from the oversold territory and the RSI indicators are currently pointing up. On the bearish side, losing 5,700 point on the coming period is not favored but a sudden fall below it could most likely bring back to focus the support zone at 5,400 point-5,350 point.

Short-term investors who entered the market near 5,700 point can stay, while medium-term and long-term investors can do so only above 6,000 point and 6,250 point, respectively.



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Reuters Ticker: <BMAO.OM>

Weekly BMOA.OH
 6/17/2016 - 1/21/2016 (MCT)

10/6/2015, 0.540, 0.550, 0.536, 0.5360,000, (0.00%)
 Cnd, BMOA.OH
 10/6/2015, 0.540, 0.550, 0.536, 0.536, 0.000, (0.00%)
 WMA, BMOA.OH
 10/6/2015, 0.529
 WMA, BMOA.OH
 10/6/2015, 0.541
 WMA, BMOA.OH
 10/6/2015, 0.57

0.613
 0.582
 0.467

MACD, BMOA.OH
 10/6/2015, -0.010, -0.011

RSI, BMOA.OH
 10/6/2015, 46.615

Vol, BMOA.OH
 10/6/2015, 1.346M

ROC, BMOA.OH
 10/6/2015, -3.597

Price
 OMR
 -0.7
 -0.68
 -0.66
 -0.64
 -0.62
 -0.6
 -0.58
 -0.56
 -0.54
 -0.52
 -0.5
 -0.48
 -0.46
 -0.44
 -0.42
 -0.4
 -0.38
 -0.36
 -0.34
 -0.32
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Auto
 OMR
 -0.011
 -0.01
 -0.009
 -0.008
 -0.007
 -0.006
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 -0.004
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Auto
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RSI	48.615
MACD	-0.011
ROC	-3.597
M10	0.525
M50	0.540
M100	0.582
S1	0.520
S2	0.495
S3	0.467
R1	0.582
R2	0.613
R3	0.650

Reuters Ticker: <NBO.OM>

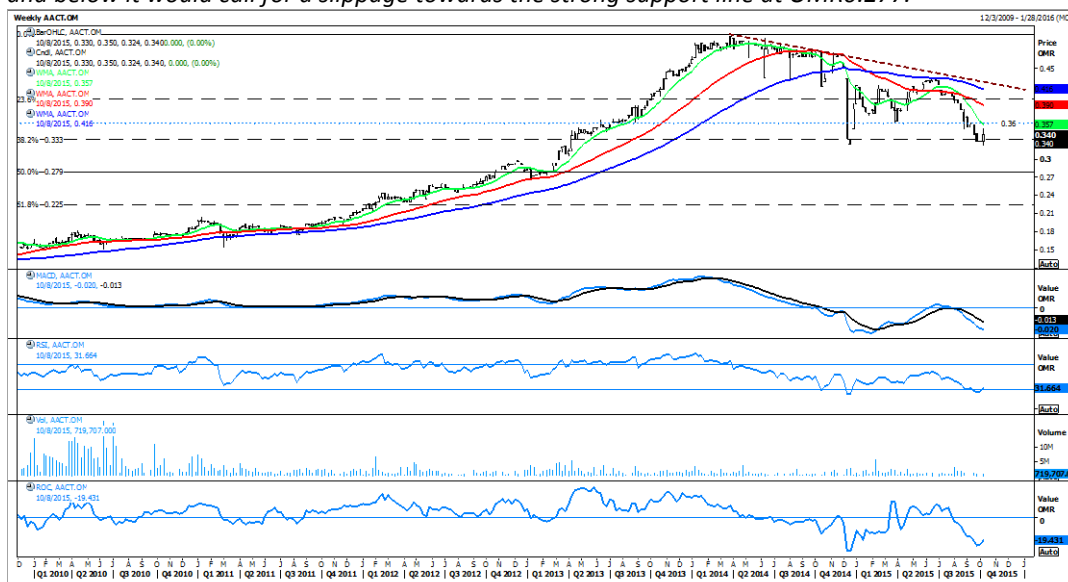
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RSI	39.078
MACD	-0.002
ROC	-11.677
M10	0.310
M50	0.315
M100	0.315
S1	0.276
S2	0.249
S3	0.215
R1	0.325
R2	0.345
R3	0.360

Al Anwar Ceramic Tiles Co.

Reuters Ticker: <AACT.OM>

Price closed at OMR0.338. The recovery seen recently is natural after a prolonged negative move but for the coming period, it is necessary for the stock to overcome the resistance level at OMR0.360 to decrease chances of moving south, a case if happens would anticipate another jump towards OMR0.390-OMR0.400 area. However, failing to do so could pressure the recent low at OMR0.324 and below it would call for a slippage towards the strong support line at OMR0.277.



RSI	31.664
MACD	-0.013
ROC	-19.431
M10	0.360
M50	0.390
M100	0.415
S1	0.324
S2	0.277
S3	0.225
R1	0.360
R2	0.390
R3	0.400

Gulf International Chemicals

Reuters Ticker: <GIC.OM>

Price closed at OMR0.265. The stock consolidated its bullish potential, holding a territory that favors a positive move on the coming period. The key point from here is OMR0.278, which if broken would seal a more constructive outlook and open the door for OMR0.330 before OMR0.350. However, the volume behind the move remains shy. On the counter side, losing the support line at OMR0.245 would delay the upward move and could trigger OMR0.217.



RSI	61.885
MACD	0.010
ROC	12.288
M10	0.260
M50	0.240
M100	0.230
S1	0.245
S2	0.217
S3	0.180
R1	0.278
R2	0.330
R3	0.350

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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