

Technical Analysis – Kuwait Stock Exchange

14-February-2016

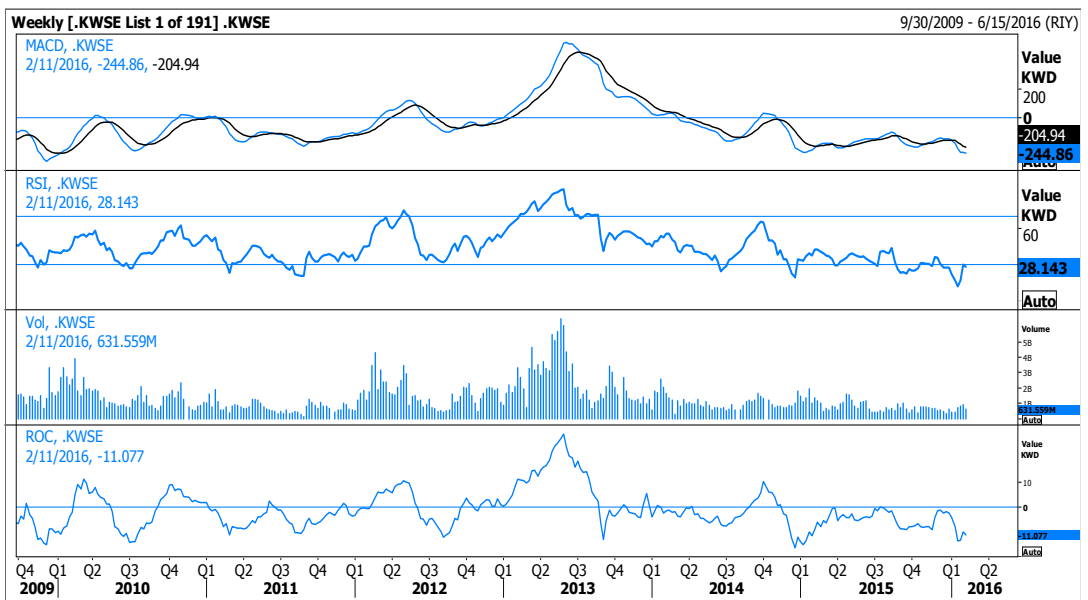
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Kuwait Stock Exchange

Kuwait Stock Exchange Price Index <.KWSE> closed at 5,131.05. As was expected in our last analysis, the market witnessed positive correction before easing down but further attempts to head north cannot be neglected on the coming period. However, a jump over the resistance line at around 5,250 point would increase the probability of targeting 5,350 point and 5,550 point. On the counter side, the nearby support levels are located at 5,085 point, 5,000 point and 4,900 point, while only below the last line would trigger the critical horizontal line at 4,800 point. However, an aggressive move down is still not favored on the coming period. Both weekly and daily RSI indicators are currently looking neutral.

Medium-term and long-term investors can only enter the market at levels higher than 5,350 point and 5,900 point, respectively.



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Ahli United Bank

Reuters Ticker: <AUBK.KW>

Price closed at KWD0.198. The stock rebounded after reaching KWD0.184 (50% level of the Fibonacci Retracement from KWD0.130-KWD0.236) but failed to sustain its upward momentum in the last few sessions. However, the current picture is ambiguous as to where the stock should go from here, knowing that only below KWD0.184 would re-instate the bearish tone. However, a break above KWD0.208 will re-activate the positive momentum and call for an initial target at KWD0.220.



RSI	43.164
MACD	-3.700
ROC	-7.477
M10	0.200
M50	0.210
M100	0.215
S1	0.184
S2	0.170
S3	0.148
R1	0.208
R2	0.220
R3	0.236

Boubyan Bank

Reuters Ticker: <BOUK.KW>

Price closed at KWD0.380. The stock fulfilled our target price at KWD0.440 (the upper end of the 32-months descending trend line) but could not make further advance and is now back to the negative territory. Eyes have shifted to the support area at KWD0.370-KWD0.355, which should prevent additional losses but managing to dip below it would trigger KWD0.330. However, back above KWD0.405 would be a good sign that should lead to KWD0.420 and maybe once again to KWD0.450.



RSI	34.713
MACD	-4.100
ROC	-12.644
M10	0.410
M50	0.420
M100	0.430
S1	0.370
S2	0.355
S3	0.330
R1	0.405
R2	0.420
R3	0.450

Reuters Ticker: <KFIN.KW>

[illegible]

RSI	34.701
MACD	-30.800
ROC	-20.833
M10	0.500
M50	0.560
M100	0.615
S1	0.460
S2	0.420
S3	0.400
R1	0.510
R2	0.540
R3	0.600

Reuters Ticker: <NBKK.KW>

Weekly [K.WSE List 42 of 191] NBKK.KW 1/26/2011 - 5/25/2016 (RTY)

Price KWF
 2/18/2016, 720.0, 720.0, 710.0, 710.0, -10.0, (-1.39%)
 WMA, NBKK.KW
 2/18/2016, 740.9
 WMA, NBKK.KW
 2/18/2016, 796.2
 WMA, NBKK.KW
 2/18/2016, 831.3

RSI, NBKK.KW
 2/18/2016, 35.713

Vol, NBKK.KW
 2/18/2016, 934,725.0

MACD, NBKK.KW
 2/18/2016, -32.5, -23.3

ROC, NBKK.KW
 2/18/2016, -17.442

Value
 35.713
Auto
Volume
 934,725.0
Value
 23.3
Auto
Value
 KWF
 -17.442

RSI	35.713
MACD	-23.300
ROC	-17.442
M10	0.740
M50	0.800
M100	0.830
S1	0.700
S2	0.680
S3	0.650
R1	0.760
R2	0.810
R3	0.850

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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