

## Technical Analysis – Muscat Securities Market

08-February-2016

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### Muscat Securities Market

**MSM 30 Index <.MSI> closed at 5,398.470.** The market did well after approaching the support line at 4,800 point, while the short-term picture continues to favor an upward move. The index encounters a resistance level at 5,450 point, which if broken would establish a new medium-term bullish trend and call for a gradual advance towards an initial target at 5,700 point. On the counter side, the nearby support levels are located at 5,165 point and 5,000 point but a fall below here would most likely allow for a revisit to 4,800 point; however, only below 4,800 point will call for another leg down towards 4,575 point.

Short-term investors who entered the market near 4,800 point can stay with a stop-loss below 5,000 point, while medium-term investors can hold above 5,270 point; however, long-term investors can enter only above 5,700 point.



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Reuters Ticker: <BMAO.OM>

| Weekly [MSI List 1 of 31] BMAO.OM  |  | 4/14/2011 - 5/12/2016 (M2) |      |
|--|--|----------------------------|------|
| <p>BarOHLc, BMAO.OM<br/>2/11/2016, 0.440, 0.460, 0.440, 0.460, +0.014, (+3.17%)</p> <p>CndI, BMAO.OM<br/>2/11/2016, 0.440, 0.460, 0.440, 0.460, +0.014, (+3.17%)</p> <p>WMA, BMAO.OM<br/>2/11/2016, 0.445</p> <p>WMA, BMAO.OM<br/>2/11/2016, 0.499</p> <p>WMA, BMAO.OM<br/>2/11/2016, 0.538</p> <p>0.255</p> <p>0.467</p> <p>0.333</p> <p>0.376</p> <p>0.582</p> <p>0.485</p> <p>0.747</p> |  | Price                      | OMR  |
| <p>MACD, BMAO.OM<br/>2/11/2016, -0.029, -0.025</p>   |  | Value                      | Auto |
| <p>RSI, BMAO.OM<br/>2/11/2016, 44.146</p>  |  | Value                      | Auto |
| <p>Vol, BMAO.OM<br/>2/11/2016, 1.961M</p>  |  | Volume                     | Auto |
| <p>ROC, BMAO.OM<br/>2/11/2016, -14.179</p>   |  | Value                      | Auto |
| <p>Q3 Q4 Q1 Q2 Q3 Q4 Q1 Q2 Q3 Q4 Q1 Q2 Q3 Q4 Q1 Q2 Q3 Q4 Q1 Q2</p> <p>2011 2012 2013 2014 2015 2016</p>  |  |                            |      |

|      |         |
|------|---------|
| RSI  | 44.146  |
| MACD | -0.025  |
| ROC  | -14.179 |
| M10  | 0.445   |
| M50  | 0.500   |
| M100 | 0.540   |
| S1   | 0.426   |
| S2   | 0.376   |
| S3   | 0.333   |
| R1   | 0.467   |
| R2   | 0.485   |
| R3   | 0.540   |

Reuters Ticker: <NBO.OM>

**Weekly [MSI List 1 of 31] NBO.OM** 7/14/2011 - 5/12/2016

The chart displays five technical indicators for NBO.OM over a five-year period from 2011 to 2016. The top panel shows the price in OMR with candlesticks and three moving averages (WMA, SMA, EMA) as of 2/11/2016. The MACD panel shows the MACD line and its signal line. The RSI panel shows the Relative Strength Index. The Volume panel shows daily trading volume in millions. The ROC panel shows the Rate of Change percentage. The x-axis represents time in months from August 2011 to April 2016.

| Indicator   | Value (2/11/2016) |
|-------------|-------------------|
| Price (OMR) | 0.275 (+0.73%)    |
| WMA         | 0.261             |
| SMA         | 0.293             |
| EMA         | 0.305             |
| MACD        | -0.015            |
| RSI         | 47.451            |
| Volume (M)  | 1.237             |
| ROC (%)     | -6.463            |

|      |        |
|------|--------|
| RSI  | 47.451 |
| MACD | -0.015 |
| ROC  | -6.463 |
| M10  | 0.260  |
| M50  | 0.293  |
| M100 | 0.305  |
| S1   | 0.250  |
| S2   | 0.230  |
| S3   | 0.215  |
| R1   | 0.280  |
| R2   | 0.290  |
| R3   | 0.315  |

## Gulf International Chemicals

Reuters Ticker: &lt;GIC.OM&gt;

**Price closed at OMR0.291.** The overall technical picture remains bullish as the stock is holding above it's MAs, while the bulls are now required to show buying interest above last year high at OMR0.306 to confirm a continuation pattern and open the road for OMR0.330 before OMR0.350. On the counter side, the nearby support lines are located at OMR0.280 and OMR0.265 but only below the last level would most likely put pressure on the horizontal level at OMR0.240 once again.



|      |        |
|------|--------|
| RSI  | 66.007 |
| MACD | 0.005  |
| ROC  | 4.255  |
| M10  | 0.267  |
| M50  | 0.261  |
| M100 | 0.242  |
| S1   | 0.280  |
| S2   | 0.265  |
| S3   | 0.240  |
| R1   | 0.306  |
| R2   | 0.330  |
| R3   | 0.350  |

## Raysut Cement Co.

Reuters Ticker: &lt;RAYC.OM&gt;

**Price closed at OMR0.960.** Although the stock saw some relief after a prolonged bearish move, but it is still early to conclude an end to the negative sentiment. However, the oversold status of the RSI indicators suggests a short-term positive move but re-gaining momentum above OMR1.000 would confirm it and allow a rebound towards OMR1.100-OMR1.155 to take place. On the other side, losing the recent low at OMR0.910 would shift the trading range to OMR0.910-OMR0.700.



|      |         |
|------|---------|
| RSI  | 32.198  |
| MACD | -0.117  |
| ROC  | -13.901 |
| M10  | 0.977   |
| M50  | 1.168   |
| M100 | 1.445   |
| S1   | 0.910   |
| S2   | 0.750   |
| S3   | 0.700   |
| R1   | 1.000   |
| R2   | 1.155   |
| R3   | 1.300   |

## 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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