

Technical Analysis – Abu Dhabi Securities Exchange

06-February-2017

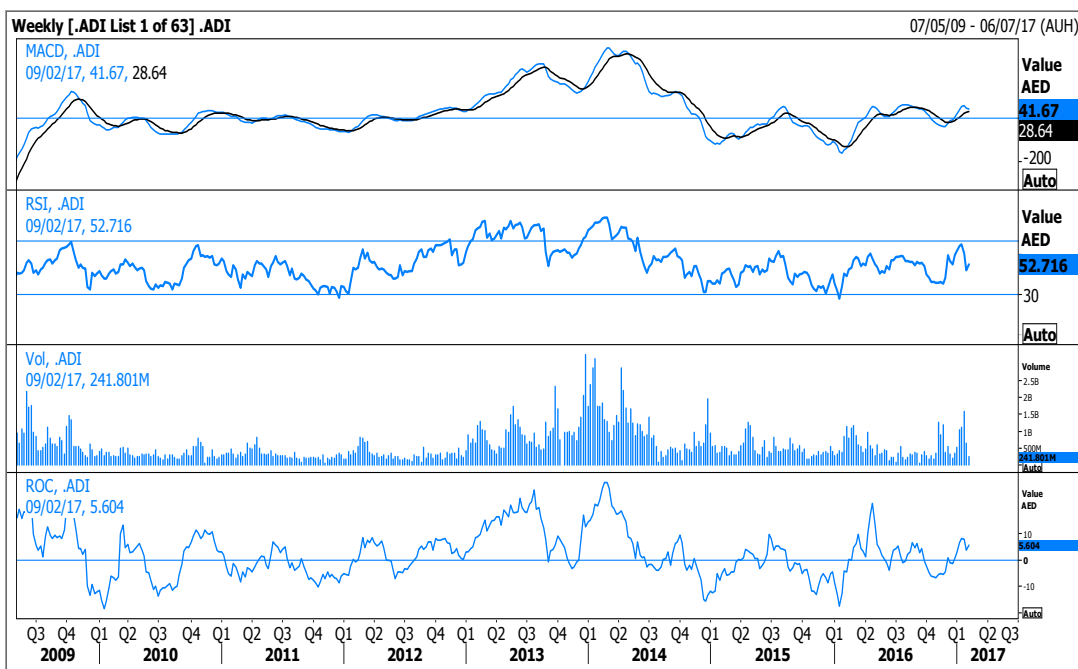
Abu Dhabi Securities Exchange

In this Report...

General Index.....	1
ADIB.....	2
NBAD.....	2
AGTHIA.....	3
RAK Properties	3

ADX General Index <.ADI> closed at 4,521.58 point. The market retreated from this year high at around 4,715 point, hitting the support area at 4,400 point-4,440 (also found there the 50% level of the Fibonacci Retracements from 4,175 point-4,715 point). However, only losing this would deepen the bearish move and trigger 4,380 point-4,350 point. On the counter side, re-gaining positive momentum above 4,715 point would open the space for 4,900 point. Weekly and daily RSI indicators are currently looking neutral.

Medium-term and long-term investors can stay in the market with a stop-loss below 4,400 point.



Faisal Hasan, CFA

Head - Investment Research

+ (965) 2233 6907

faisal.hasan@kamconline.com

Raed Diab

Vice President

+ (965) 2233 6908

raed.diab@kamconline.com

Abu Dhabi Islamic Bank

Reuters Ticker: <ADIB.AD>

Price closed at AED3.80. We have now a bolded support level at AED3.40, which forced the stock to inch upwards but the resistance area at AED4.00-AED4.10 capped further advance. The price could move in a range-bound between AED4.10-AED3.65 for the coming period until one of the two lines is broken, knowing that a cross over the aforementioned resistance zone would promote AED4.55 before AED4.85. However, a dip below AED3.65 would bring back to focus AED3.40.



RSI	55.172
MACD	0.00
ROC	9.827
M10	3.80
M50	3.72
M100	3.84
S1	3.65
S2	3.40
S3	2.96
R1	4.10
R2	4.55
R3	4.85

National Bank of Abu Dhabi

Reuters Ticker: <NBAD.AD>

Price closed at AED9.89. The stock approached our target price at AED11.00, as was expected in our last analysis, but could not sustain its upward move. The move within a 12-months ascending trend line is a positive sign and additional losses should be limited to AED9.10; however, below there would most likely delay any bullish momentum and trigger AED8.55. On the opposite side, the bulls are required to surpass AED11.00 to confirm that further gain is underway towards AED12.80.



RSI	54.117
MACD	0.27
ROC	11.249
M10	10.17
M50	9.45
M100	9.20
S1	9.65
S2	9.10
S3	8.55
R1	10.40
R2	11.00
R3	12.80

Agthia Group

Reuters Ticker: <AGTH.AD>

Price closed at AED6.89. Attempts to go upwards could still be seen on the coming period as no signs of topping have been seen yet. A break above last December high at AED7.30 would confirm a continuation pattern that should lead to AED8.00 and maybe the critical level at 9.00. On the other side, the nearby support levels are located at AED6.30, AED6.00 and AED5.70 but only a fall below AED5.36 would re-instate the bearish tone.



RSI	53.193
MACD	-0.01
ROC	17.778
M10	6.93
M50	0.67
M100	7.00
S1	6.30
S2	5.70
S3	5.36
R1	7.30
R2	8.00
R3	9.00

Ras Al Khaimah Properties

Reuters Ticker: <RPRO.AD>

Price closed at AED0.79. The stock fulfilled and exceeded the target price at AED0.85, as was expected in our last analysis, before easing down but overall technical picture still in favor of the bulls. However, some weaknesses could be seen on the short-term period but the support level at AED0.65 should prevent further losses to AED0.52. On the positive side, a jump over AED0.87 should be enough to anticipate a rebound to AED0.94 and AED1.09.



RSI	72.047
MACD	0.03
ROC	27.419
M10	0.75
M50	0.66
M100	0.62
S1	0.72
S2	0.65
S3	0.52
R1	0.87
R2	0.94
R3	1.09

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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KAMCO Investment Company - K.S.C. (Public)

Al-Shaheed Tower, Khalid Bin Al-Waleed Street- Sharq

P.O. BOX : 28873, Safat 13149, State of Kuwait

Tel: (+965) 1852626 Fax: (+965) 22492395

Email : Kamcoird@kamconline.com

Website : <http://www.kamconline.com>