

## Technical Analysis – Saudi Stock Exchange

21-December-2015

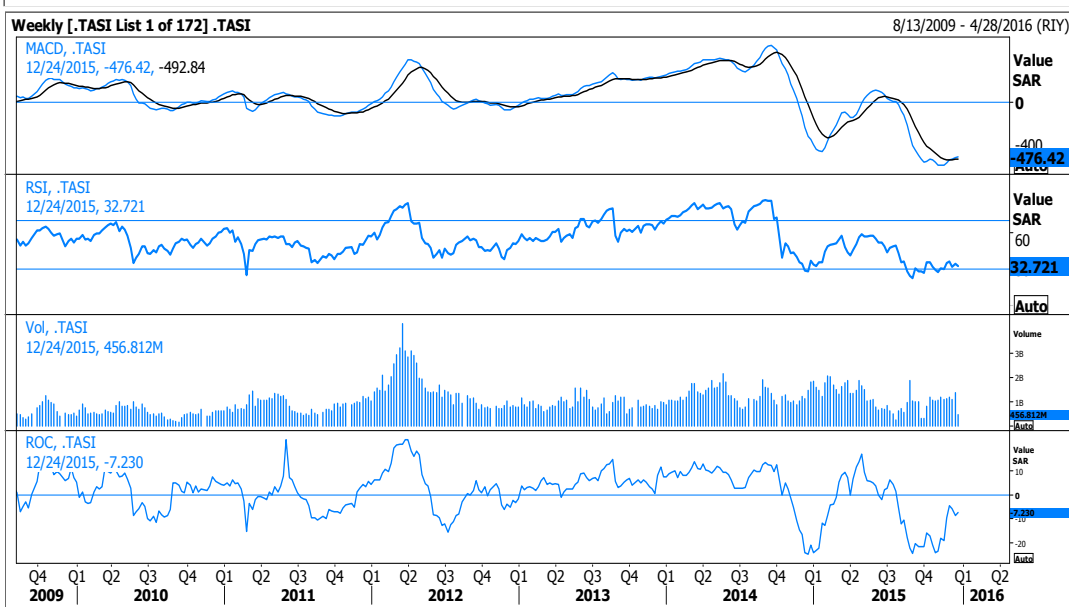
## Saudi Stock Exchange

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**Tadawul All Share Index <.TASI> closed at 6,930.12.** The market is currently swinging between the range of 6,670 point-7,350 point without any clear indication at present as the index can move in either direction. Meanwhile, both weekly and daily RSI indicators are of no help, as they look neutral. However, any slippage below the recent low at around 6,670 point would deepen the negative sentiment towards 6,400 point, while only below this should trigger the psychological level at 6,000 point. On the counter side, back above the first MA (which comes at 7,130 point for this week) would be a good sign that should lead to 7,350 point but a cross over this would decrease the downside risk and promote 7,700 point.

Medium-term and long-term investors who would like to enter the market can do so when the index closes above 7,130 points and 8,000 point, respectively.



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Reuters Ticker: <1050.SE>

**Weekly [.TASI List 1 of 172] 1050.SE** 7/12/2012 - 3/3/2016 (R)

The chart displays five technical indicators for the 1050.SE stock over a period from 2008 to 2016. The top panel shows the price as a candlestick chart with several moving averages (Cncl, WMA, SMA) and horizontal support/resistance lines. The subsequent panels show the MACD, RSI, Volume, and ROC indicators. The right side of the chart features a summary table of key values for each indicator.

Indicator	Value
Price	33.13
SAR	40
WMA, 1050.SE	33.13
SMA, 1050.SE	31.70
WMA, 1050.SE	27.53
SMA, 1050.SE	26.00
MACD, 1050.SE	-2.11
RSI, 1050.SE	35.490
Vol, 1050.SE	47,262.00
ROC, 1050.SE	-16.667

RSI	35.490
MACD	-1.89
ROC	-16.667
M10	27.55
M50	31.70
M100	33.15
S1	24.00
S2	21.65
S3	20.80
R1	28.00
R2	30.00
R3	32.00

Reuters Ticker: <1150.SE>

[illegible]

RSI	30.658
MACD	-1.86
ROC	-17.564
M10	14.85
M50	18.75
M100	20.20
S1	13.65
S2	13.00
S3	12.00
R1	15.50
R2	18.00
R3	19.65

Reuters Ticker: <2250.SE>

Weekly [TASI List 1 of 172] 2250.SE 11/12/2009 - 4/21/2016 (RTY)



RSI	26.374
MACD	-2.44
ROC	-22.016
M10	16.40
M50	21.05
M100	25.30
S1	12.35
S2	10.50
S3	9.50
R1	17.15
R2	20.00
R3	21.75

Reuters Ticker: <2310.SE>

Weekly [.TASI List 1 of 172] 2310.SE 6/2/2010 - 4/6/2016 (RIY)



RSI	29.168
MACD	-3.02
ROC	-19.036
M10	17.45
M50	23.35
M100	27.15
S1	15.85
S2	13.35
S3	11.50
R1	18.25
R2	23.25
R3	28.50

## 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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