

Technical Analysis – Saudi Stock Exchange

11-September-2017

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Saudi Stock Exchange

Tadawul All Share Index <.TASI> closed at 7,411.30 point. The index still needs a firm break above July's high at around 7,600 point, though the current trend is positive. A successful close above there would promote additional buying potential towards the psychological level at 8,000 point. On the counter side, a fall below the support level at 7,100 point would delay the upward move and could allow for further weaknesses to 6,900 point and maybe 6,700 point. Weekly and daily RSI indicators are looking positive at present.

Medium-term and long-term investors can stay in the market with a stop-loss below 7,100 point and 6,800 point, respectively.



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Banque Saudi Fransi

Reuters Ticker: <1050.SE>

Price closed at SAR33.00. As was expected in our last report, the stock fulfilled and exceeded our target price at SAR32.00 by hitting near the horizontal line at SAR34.00. The current picture is still in favor of the bulls and a jump over SAR34.00 would promote SAR36.00 but the strong resistance area at SAR40.90-SAR42.50 remains the turning point for a strong rally to take place. However, the nearby support levels are located at SAR29.65 and SAR28.30 but only below this would trigger further losses.



RSI	72.075
MACD	1.49
ROC	22.222
M10	31.00
M50	27.80
M100	26.05
S1	29.65
S2	28.30
S3	25.20
R1	34.00
R2	36.00
R3	40.90

Bank Albilad

Reuters Ticker: <1140.SE>

Price closed at SAR19.82. The stock is currently moving within the positive territory and above its MAs but still needs further signs to confirm an establishment of a new bull trend. Managing to cross over the strong resistance level at SAR22.00 along with an increase in trading activity would open the space for additional gains towards SAR24.40 and SAR27.30. On the counter side, losing SAR18.40 would target SAR17.15 but below this will bring back to focus the critical support level at SAR14.40.

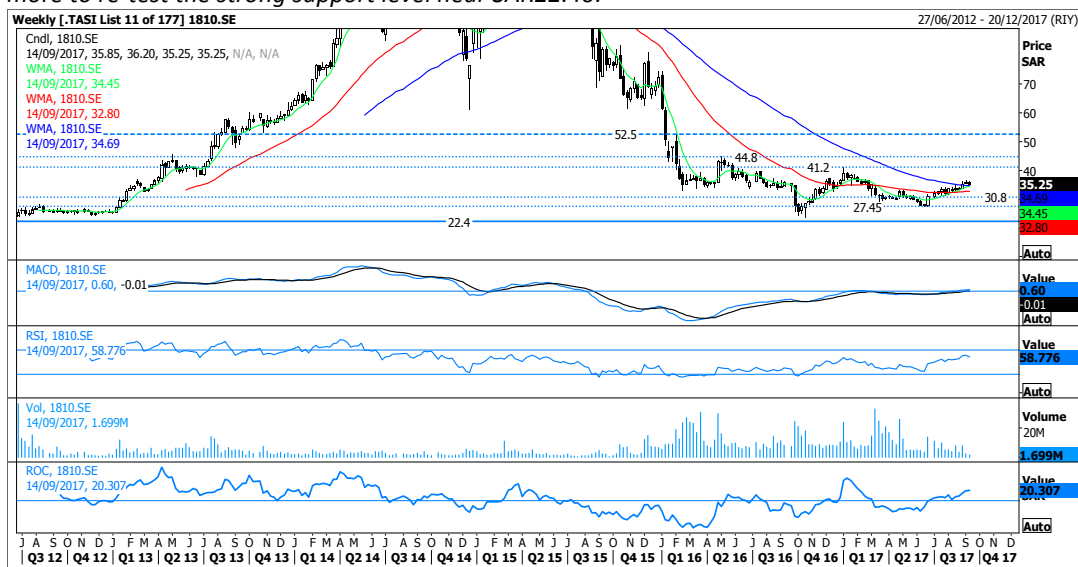


RSI	61.045
MACD	0.15
ROC	8.901
M10	19.30
M50	18.85
M100	18.55
S1	18.40
S2	17.15
S3	14.40
R1	22.00
R2	24.40
R3	27.30

Altayyar Travel Group

Reuters Ticker: <1810.SE>

Price closed at SAR35.25. The stock is leaning more towards an upward movement on the coming period as it continues to recover from the horizontal line at SAR27.45. The struggle is to surpass the first resistance level at SAR41.20, which if broken would seal a more constructive outlook and target SAR44.80 before SAR52.50. However, a dip back below SAR30.80 would lead to SAR27.45 and maybe more to re-test the strong support level near SAR22.40.



RSI	58.776
MACD	-0.01
ROC	20.307
M10	34.45
M50	32.80
M100	34.70
S1	30.80
S2	27.45
S3	22.40
R1	41.20
R2	44.80
R3	52.50

Saudi International Petrochemical Co.

Reuters Ticker: <2310.SE>

Price closed at SAR14.82. The stock is currently trading within a tight range of SAR13.90-SAR15.85; however, a break above SAR15.85 would shift the move to a wider one at SAR15.85-SAR19.75, knowing that a firm close above the strong resistance level at SAR19.75 is required to confirm a positive continuation pattern and promote the first target price at SAR23.50. On the negative side, a sharp fall is not expected but below SAR13.90 would allow a re-visit to SAR11.90 and maybe SAR9.75.



RSI	47.791
MACD	-0.59
ROC	5.106
M10	14.40
M50	15.70
M100	15.25
S1	13.90
S2	11.90
S3	9.75
R1	15.85
R2	19.75
R3	23.50

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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