

## Technical Analysis – Dubai Financial Market

21-June-2017

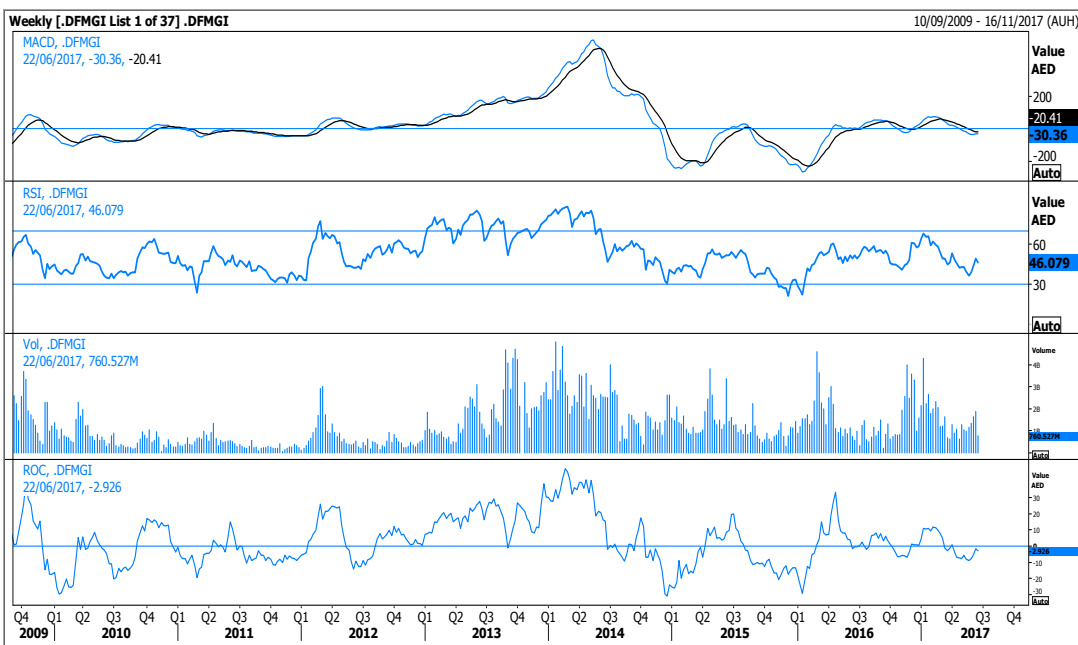
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### Dubai Financial Market

**DFM General Index <.DFMGI> closed at 3,418.30.** The market sentiment turned negative when the bullish momentum weakened after it witnessed a recovery from the low of this month at 3,265 point. The fall below the horizontal line at 3,435 point is more likely to trigger further weaknesses to 3,405 point before 3,385 point, while a break above 3,465 point is needed to call for a gradual increase to 3,575 point. Both weekly and daily RSI indicators are looking negative at present.

Medium-term and long-term investors can enter the market at levels higher than 3,435 point and



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Reuters Ticker: <DINV.DU>

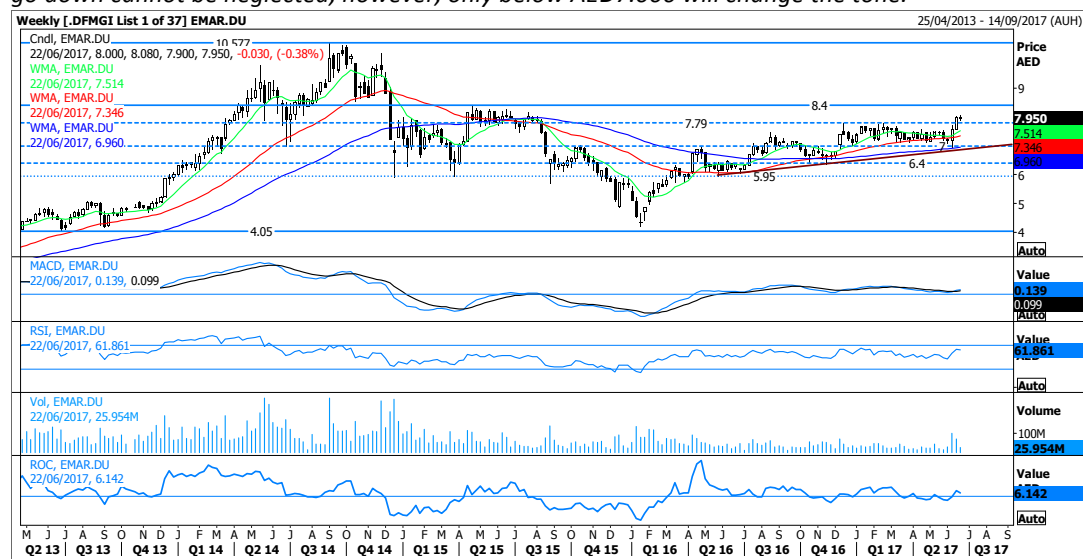
Weekly [DFMGI List 1 of 37] DINV.DU 24/10/2013 - 31/08/2017 (AUH)



RSI	45.848
MACD	-0.003
ROC	-7.099
M10	2.157
M50	2.217
M100	2.123
S1	2.000
S2	1.770
S3	1.600
R1	2.220
R2	2.500
R3	2.630

Reuters Ticker: <EMAR.DU>

**Price closed at AED7.950.** The stock did well recently and all aspects of the weekly chart suggest additional gains. The close above the strong horizontal line at AED7.790 along with the break through MAs would bring back to focus the year 2015 high at AED8.400; however, managing to break above this will target AED9.380. On the counter side, a sharp decline is not favored but some attempts to go down cannot be neglected; however, only below AED7.000 will change the tone.



RSI	61.8610
MACD	0.10
ROC	6.142
M10	7.514
M50	7.346
M100	6.960
S1	7.790
S2	7.000
S3	6.400
R1	8.400
R2	9.380
R3	10.220

## Aramex

Reuters Ticker: &lt;ARMX.DU&gt;

**Price closed at AED5.150.** The stock eased down from its all-time high at AED5.500 but remains well above the 100-weeks MA. The current picture is neutral as the price is squeezed between AED4.850-AED5.500 and a break of either line is needed to indicate the next direction, though a natural downward correction is more likely to take place. Losing AED4.850 would trigger AED4.300 and maybe AED3.900, while above AED5.500 will lead to AED6.000.

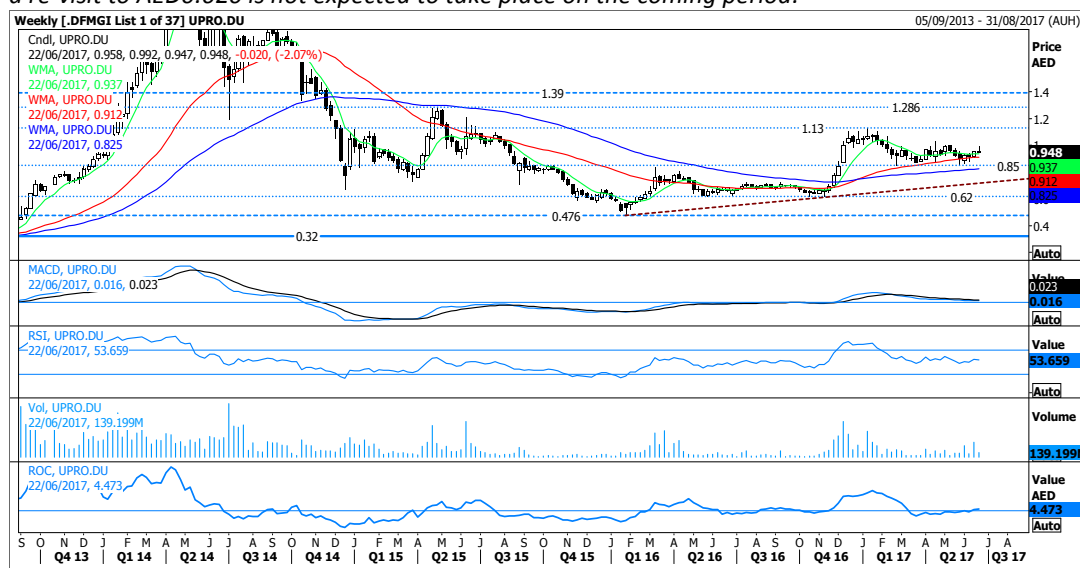


RSI	61.542
MACD	0.281
ROC	0.195
M10	5.105
M50	4.660
M100	4.145
S1	4.850
S2	4.300
S3	3.900
R1	5.310
R2	5.500
R3	6.000

## Union Properties

Reuters Ticker: &lt;UPRO.DU&gt;

**Price closed at AED0.948.** The support level at AED0.850 once again rejected further losses and forced the stock to inch upwards. Eyes now have shifted towards AED1.037, while above this will promote AED1.130. However, only a firm jump above AED1.130 would call for a positive continuation pattern and lead to AED1.286. On the other side, failing to close above AED0.850 would trigger AED0.700 but a re-visit to AED0.620 is not expected to take place on the coming period.



RSI	53.659
MACD	0.023
ROC	4.473
M10	0.937
M50	0.120
M100	0.825
S1	0.850
S2	0.700
S3	0.620
R1	1.037
R2	1.130
R3	1.286

## 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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