

Technical Analysis – Qatar Stock Exchange

05-August-2019

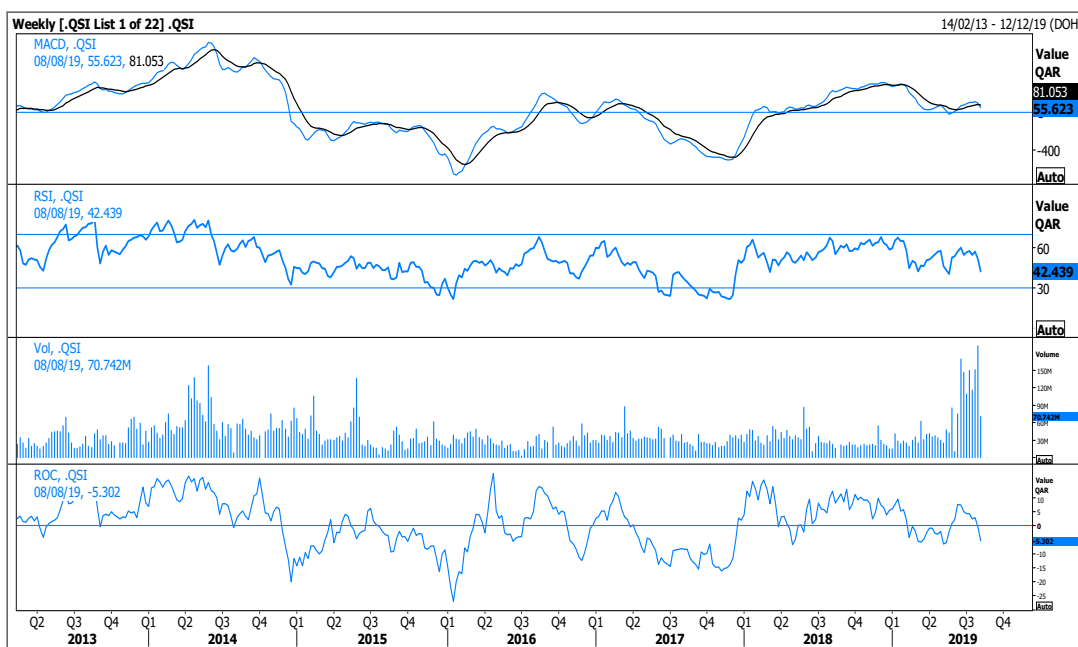
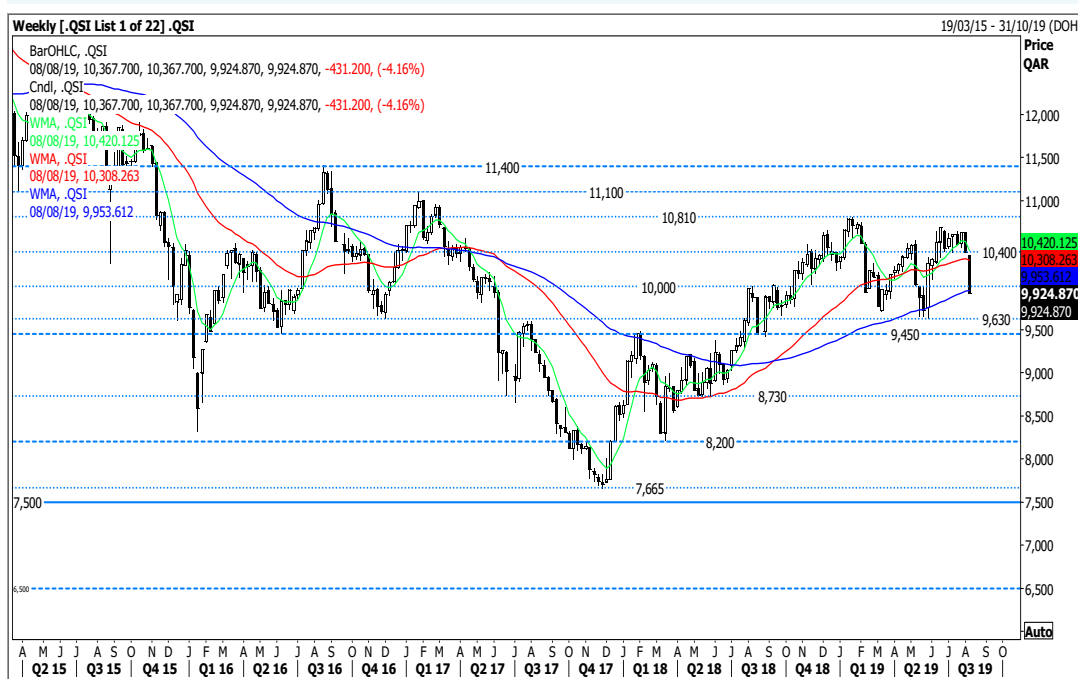
In this Report...

QE 20 Index.....	1
QNB.....	2
QIIB.....	2
Qatar Insurance	3
Al Khaleej Takaful.....	3

Qatar Stock Exchange

QE Index <.QSI> closed at 9,924.87 point. The market is under pressure, breaking below the psychological level at 10,000 point and support offered by the 50-weeks MA on the weekly chart has been eroded. Attention now has shifted to the next support level at around 9,630 point (low of this year), which if broken would call for a serious bearish move and lead to 9,450 point and 9,000 point. However, only back above 10,400 point would increase the chances of re-testing the strong resistance level at 10,810 point (the high of this year) and maybe 11,100 point.

Medium-term investors can re-enter the market at levels above 10,400 point, while long-term investors should be aware as the index is hovering near 9,900 point.



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Qatar National Bank

Reuters Ticker: <QNBK.QA>

Price closed at QAR18.02. The stock has posted a strong resistance level at around QAR20.00 as it failed to surpass it several times. It is necessary to close above this to validate a positive continuation pattern and call for another leg up towards QAR26.00. On the counter side, a fall below QAR17.40 would lead to the strong line at QAR16.47 but only below this would delay any upward momentum and trigger QAR15.07.



RSI	44.955
MACD	0.171
ROC	-7.779
M10	19.050
M50	18.78
M100	17.73
S1	17.40
S2	16.47
S3	15.07
R1	18.71
R2	20.00
R3	26.00

Qatar International Islamic Bank

Reuters Ticker: <QIIB.QA>

Price closed at QAR7.52. The stock remains within the positive territory, but the upward momentum has decelerated after finding resistance at QAR7.90. Further weaknesses below QAR7.17 would lead to the strong support level at QAR6.30, but only losing this line will call for a deeper bearish move. However, managing to surpass QAR7.90 will most likely promote QAR8.29 and maybe more towards the resistance area at QAR9.00-QAR9.54.



RSI	60.633
MACD	0.236
ROC	8.986
M10	7.52
M50	7.03
M100	6.49
S1	7.17
S2	6.30
S3	5.61
R1	7.90
R2	8.29
R3	9.00

Qatar Insurance Co.

Reuters Ticker: <QINS.QA>

Price closed at QAR3.23. The stock is still hovering near the strong support level at QAR3.18, unable to show any reversal sign to the current bearish tone. The first positive signal will take place once the stock manages to break above QAR3.73, which will then promote QAR4.09 and QAR4.58. On the other side, a dip below QAR3.18 will deepen the negative sentiment and call for a fall to the defense line at QAR2.54.



RSI	36.213
MACD	-0.040
ROC	-16.645
M10	3.50
M50	3.62
M100	3.68
S1	3.18
S2	2.70
S3	2.54
R1	3.73
R2	4.09
R3	4.58

Al Khaleej Takaful Group

Reuters Ticker: <KINS.QA>

Price closed at QAR1.64. The picture will remain positive as long as the stock preserve a close above the horizontal line at QAR1.35, knowing that only losing this will switch the trading range back to QAR0.80-QAR1.35. However, the price encounters a strong resistance level at QAR2.17, while managing to print a foothold above it will confirm a positive continuation pattern and lead to the next level at QAR2.05.



RSI	53.864
MACD	0.200
ROC	3.601
M10	1.80
M50	1.40
M100	1.24
S1	1.35
S2	1.00
S3	0.80
R1	2.17
R2	3.05
R3	3.85

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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