

## Technical Analysis – Boursa Kuwait

23-December-2019

### In this Report...

All Share Index.....	1
GBK.....	2
ALMUTAHED.....	2
MABANEE.....	3
MEZZAN.....	3

### Boursa Kuwait

**All Share Index <.BKA> closed at 6,265.66 point.** The break above last July highs at 6,155 point proved to be the catalyst for an extension higher, given the continuous close above all MAs on the daily chart. It will not be surprised to see a natural downward correction on the short-term period after a prolonged bullish move and the overbought status of the daily RSI indicator, but the overall picture remains positive and no signs of reversal have been spotted yet, knowing that the nearby support levels come at 6,200 point, 6,155 point and 6,000 point. However, additional gains should target 6,350 point and 6,600 point.

Medium-term and long-term investors can stay in the market with a stop-loss below 5,800 point and 5,460 point, respectively.



Raed Diab

Vice President

+(965) 2233 6908

[raed.diab@kamconline.com](mailto:raed.diab@kamconline.com)

Reuters Ticker: <GBKK.KW>

**Weekly [ BKA List 1 of 163 ] GBKK.KW** 25/05/11 - 10/06/20 (Rv)

The chart displays the weekly price movement of GBKK.KW from 2011 to 2020. The price is shown as a black candlestick chart. Several moving averages are plotted: a blue line for the 26-day moving average (WMA) and a red line for the 30-day moving average (WMA). The price shows a general downward trend from 2011 to 2015, followed by a period of volatility and a slight recovery in 2019. The MACD indicator (blue line) shows a recent uptrend, while the RSI (blue line) indicates the stock is in the middle of its range. The volume (blue bars) shows a significant increase in trading activity in early 2020. The ROC (blue line) indicates a recent increase in the rate of change of the price.

Indicator	Value	Auto
Price	309.0	
WMA, GBKK.KW	293.7	
WMA, GBKK.KW	285.1	
MACD, GBKK.KW	-4.2	Auto
RSI, GBKK.KW	62.605	Value
Vol, GBKK.KW	20.114M	Auto
ROC, GBKK.KW	12.364	Value

RSI	62.605
MACD	-4.2
ROC	12.364
M10	0.285
M50	0.294
M100	0.285
S1	0.295
S2	0.260
S3	0.233
R1	0.330
R2	0.385
R3	0.420

Reuters Ticker: <BKME.KW>

**Weekly [BKA List 1 of 163] BKME.KW** 14/03/12 - 20/05/20 (R3Y)

**Price Kwf**  
 575, 546, 500, 404, 365, 290, 271, 220  
 26/12/19, 329.0, 334.0, 329.0, 332.0 -1.0, (-0.30%)  
 CndI, BKME.KW  
 26/12/19, 329.0, 334.0, 329.0, 332.0, -1.0, (-0.30%)  
 WMA, BKME.KW  
 26/12/19, 324.7  
 WMA, BKME.KW  
 26/12/19, 322.8

**MACD, BKME.KW**  
 26/12/19, 2.0, 1.4

**RSI, BKME.KW**  
 26/12/19, 56.720

**Vol, BKME.KW**  
 26/12/19, 271,077.0

**ROC, BKME.KW**  
 26/12/19, 9.211

**Price Kwf**  
 332.0, 332.0, 332.0, 324.7, 322.8

**Value**  
 56.720

**Volume**  
 271,077

**Kwf**  
 9.211

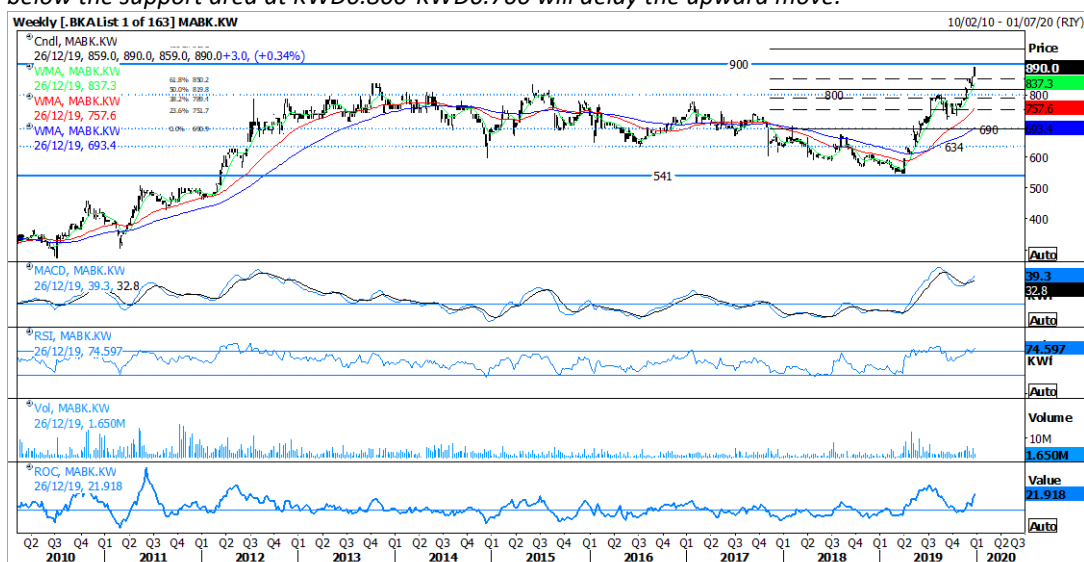
**Auto**

RSI	56.720
MACD	1.4
ROC	9.211
M10	0.325
M50	0.322
M100	0.320
S1	0.290
S2	0.271
S3	0.237
R1	0.265
R2	0.404
R3	0.460

## Mabane Co.

Reuters Ticker: &lt;MABK.KW&gt;

**Price closed at KWD0.890.** The stock has mustered enough upside energy to overcome the strong horizontal line at KWD0.836 as it continues to move away from its MAs on the weekly chart. The next target price comes at KWD0.900, while above it will lead to KWD0.950 (100% of the Fibonacci Projections from KWD0.541-KWD0.800-KWD0.690) and maybe more to KWD1.110. However, a fall below the support area at KWD0.800-KWD0.760 will delay the upward move.

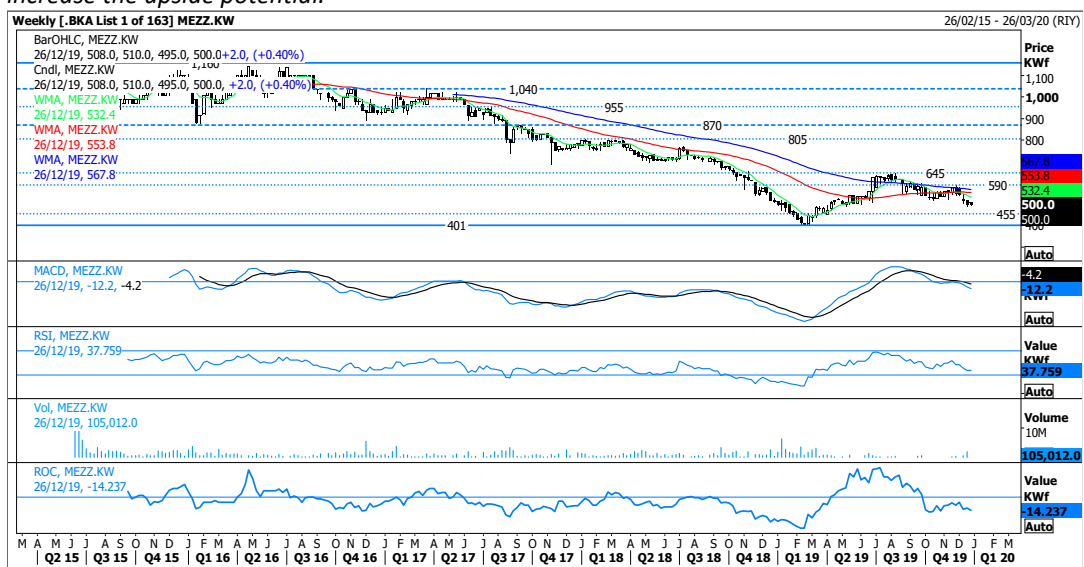


RSI	74.597
MACD	32.8
ROC	21.918
M10	0.837
M50	0.758
M100	0.693
S1	0.800
S2	0.760
S3	0.690
R1	0.900
R2	0.950
R3	1.110

## Mezzan Holding Co.

Reuters Ticker: &lt;MEZZ.KW&gt;

**Price closed at KWD0.500.** The stock is back to the negative territory after posting a high of KWD0.645. Further weaknesses could target KWD0.455, while a dip below it will call for a re-test of all-time low at KWD0.401. On the positive side, a jump over KWD0.550 will be the first bullish sign that should lead to KWD0.590 and KWD0.645, while only a firm close above KWD0.645 would increase the upside potential.



RSI	37.759
MACD	-4.2
ROC	-14.237
M10	0.530
M50	0.554
M100	0.568
S1	0.455
S2	0.401
S3	0.370
R1	0.550
R2	0.590
R3	0.645

## 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.

---

## Disclaimer & Important Disclosures

**KAMCO** is authorized and fully regulated by the Capital Markets Authority ("CMA, Kuwait") and partially regulated by the Central Bank of Kuwait ("CBK")

This document is provided for informational purposes only. Nothing contained in this document constitutes investment, an offer to invest, legal, tax or other advice or guidance and should be disregarded when considering or making investment decisions. In preparing this document, KAMCO did not take into account the investment objectives, financial situation and particular needs of any particular person. Accordingly, before acting on this document, investors should independently evaluate the investments and strategies referred to herein and make their own determination of whether it is appropriate in light of their own financial circumstances and objectives. The entire content of this document is subject to copyright with all rights reserved. This research and the information contained herein may not be reproduced, distributed or transmitted in Kuwait or in any other jurisdiction to any other person or incorporated in any way into another document or other material without our prior written consent.

In certain circumstances, ratings may differ from those implied by a fair value target using the criteria above. KAMCO policy is to maintain up-to-date fair value targets on the companies under its coverage, reflecting any material changes to the analyst's outlook on a company. Share price volatility may cause a stock to move outside the rating range implied by KAMCO's fair value target. Analysts may not necessarily change their ratings if this happens, but are expected to disclose the rationale behind their view to KAMCO clients.

Any terms and conditions proposed by you which are in addition to or which conflict with this Disclaimer are expressly rejected by KAMCO and shall be of no force or effect. The information contained in this document is based on current trade, statistical and other public information we consider reliable. We do not represent or warrant that such information is fair, accurate or complete and it should not be relied upon as such. KAMCO has no obligation to update, modify or amend this document or to otherwise notify a recipient thereof in the event that any opinion, forecast or estimate set forth herein, changes or subsequently becomes inaccurate. The publication is provided for informational uses only and is not intended for trading purposes. The information on publications does not give rise to any legally binding obligation and/or agreement, including without limitation any obligation to update such information. You shall be responsible for conducting your own investigation and analysis of the information contained or referred to in this document and of evaluating the merits and risks involved in the securities forming the subject matter of this or other such document. Moreover, the provision of certain data/information in the publication may be subject to the terms and conditions of other agreements to which KAMCO is a party.

Nothing in this document should be construed as a solicitation or offer, or recommendation, to acquire or dispose of any investment or to engage in any other transaction, or to provide any investment advice or service. This document is directed at Professional Clients and not Retail Clients within the meaning of CMA rules. Any other persons in receipt of this document must not rely upon or otherwise act upon it. Entities and individuals into whose possession this document comes are required to inform themselves about, and observe such restrictions and should not rely upon or otherwise act upon this document where it is unlawful to make to such person such an offer or invitation or recommendation without compliance with any authorization, registration or other legal requirements.

### **Risk Warnings**

Any prices, valuations or forecasts are indicative and are not intended to predict actual results, which may differ substantially from those reflected. The value of an investment may go up as well as down. The value of and income from any investment may fluctuate from day to day as a result of changes in relevant economic markets (including, without limitation, foreseeable or unforeseeable changes in interest rates, foreign exchange rates, default rates, prepayment rates, political or financial conditions, etc.).

Past performance is not indicative of future results. Any opinions, estimates, valuations or projections (target prices and ratings in particular) are inherently imprecise and a matter of judgment. They are statements of opinion and not of fact, based on current expectations, estimates and projections, and rely on beliefs and assumptions. Actual outcomes and returns may differ materially from what is expressed or forecasted. There are no guarantees of future performance. Certain transactions, including those involving futures, options, and other derivatives, give rise to substantial risk and are not suitable for all investors. This document does not propose to identify or to suggest all of the risks (direct or indirect) which may be associated with the investments and strategies referred to herein.

### **Conflict of Interest**

KAMCO and its affiliates provide full investment banking services, and they and their directors, officers and employees, may take positions which conflict with the views expressed in this document. Salespeople, traders, and other professionals of KAMCO may provide oral or written market commentary or trading strategies to our clients and our proprietary trading desks that reflect opinions that are contrary to the opinions expressed in this document. Our asset management area, our proprietary trading desks and investing businesses may make investment decisions that are inconsistent with the recommendations or views expressed in this document. KAMCO may have or seek investment banking or other business relationships for which it will receive compensation from the companies that are the subject of this document. Facts and views presented in this document have not been reviewed by, and may not reflect information known to, professionals in other KAMCO business areas, including investment banking personnel. United Gulf Bank, Bahrain owns majority of KAMCO's shareholding and this ownership may create, or may create the appearance of, conflicts of interest.

### **No Liability & Warranty**

KAMCO makes neither implied nor expressed representations or warranties and, to the fullest extent permitted by applicable law, we hereby expressly disclaim any and all express, implied and statutory representations and warranties of any kind, including, without limitation, any warranty as to accuracy, timeliness, completeness, and fitness for a particular purpose and/or non-infringement. KAMCO will accept no liability in any event including (without limitation) your reliance on the information contained in this document, any negligence for any damages or loss of any kind, including (without limitation) direct, indirect, incidental, special or consequential damages, expenses or losses arising out of, or in connection with your use or inability to use this document, or in connection with any error, omission, defect, computer virus or system failure, or loss of any profit, goodwill or reputation, even if expressly advised of the possibility of such loss or damages, arising out of or in connection with your use of this document. We do not exclude our duties or liabilities under binding applicable law.

---

**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](mailto:Kamcoird@kamconline.com)

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