

## Technical Analysis – Boursa Kuwait

21-January-2019

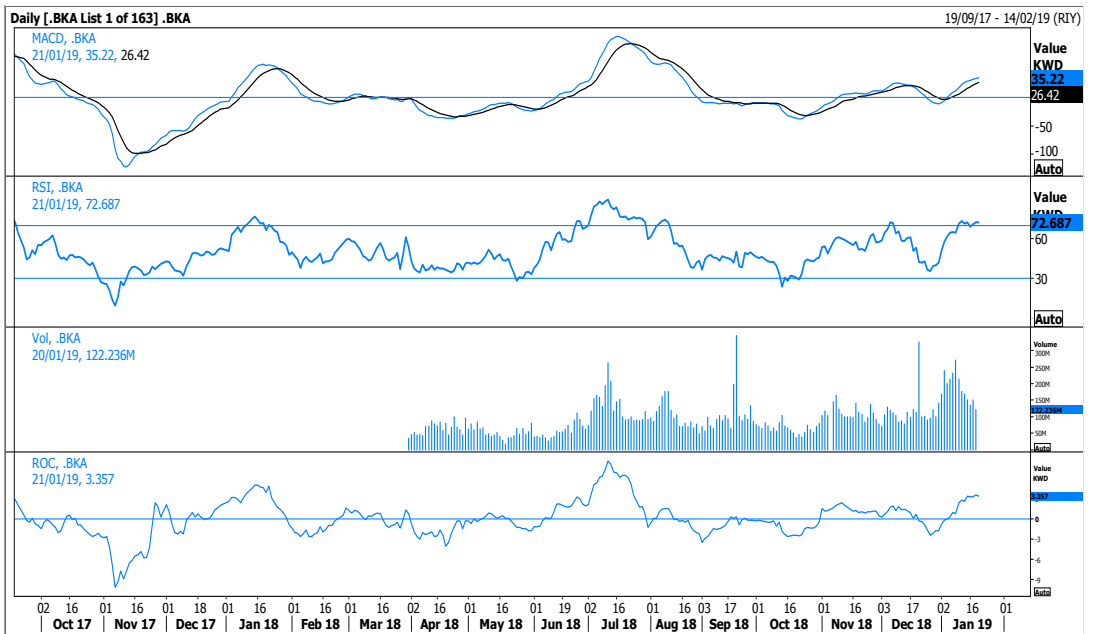
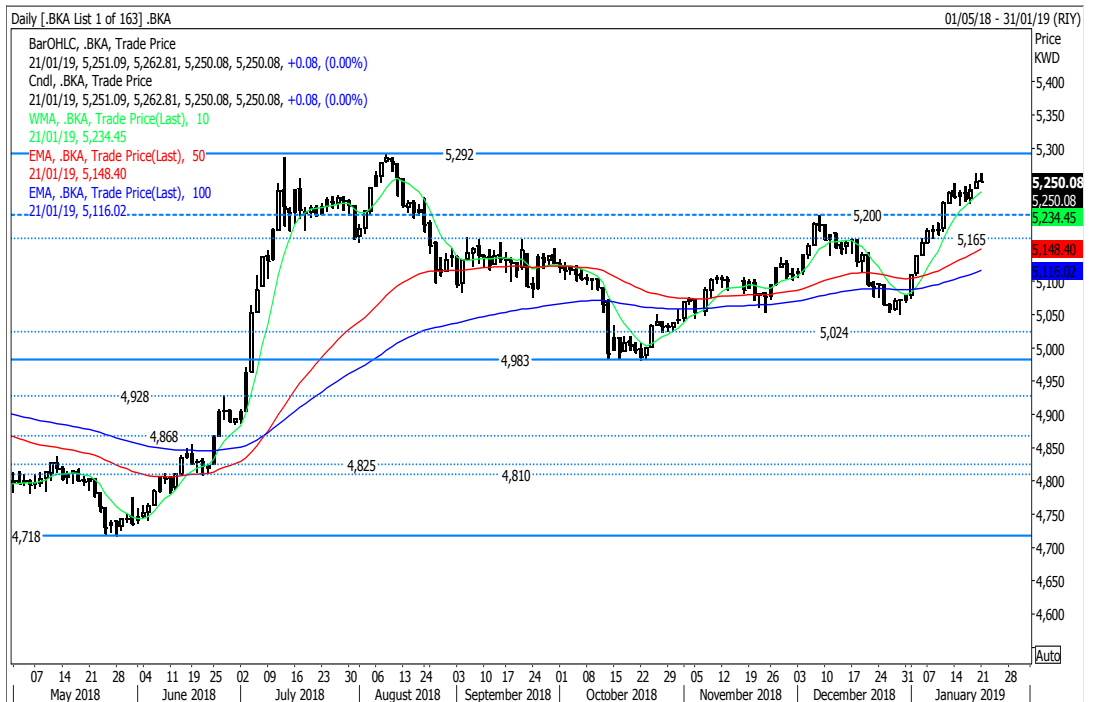
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### Boursa Kuwait

**All Share Market Index <.BKA> closed at 5,250.08 point.** The market continues to move within a bullish trend but encounters a strong resistance level at 5,292 point (high of last year); however, failing to surpass it would most likely trigger a downward correction to 5,200 point, 5,165 point and maybe 5,100 point. On the positive side, a firm close above 5,292 point would confirm a positive continuation pattern and fulfill the target level at 5,400 point and maybe 5,500 point.

Medium-term and long-term investors can stay in the market with a stop-loss below 5,060 point and 4,900 point, respectively.



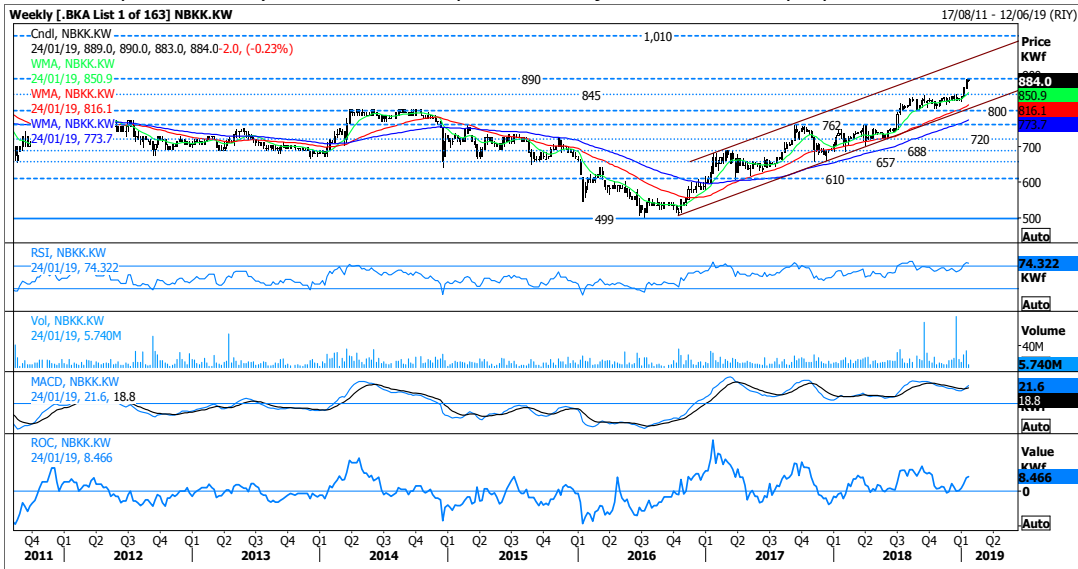
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**National Bank of Kuwait**

Reuters Ticker: <NBKK.KW>

**Price closed at KWD0.884.** The price continues to move within the bullish trend channel and is currently hovering near the strong resistance level at KWD0.890, while a successful close above this will seal a more constructive outlook and promote the next overhead layer at KWD1.010. However, the RSI indicator looks overbought on the weekly chart and some short-term downward correction could take place, but any move down is expected to be for accumulation purposes.



RSI	74.322
MACD	18.800
ROC	8.466
M10	0.850
M50	0.816
M100	0.774
S1	0.845
S2	0.800
S3	0.762
R1	0.890
R2	0.920
R3	1.010

**Warba Bank**

Reuters Ticker: <WARB.KW>

**Price closed at KWD0.224.** The recent gain above all MAs on the weekly chart is a positive sign. This along with an increase in trading activity should promote a gradual increase to the resistance zone at KWD0.250-KWD0.264 on the coming period. On the counter side, the nearby support levels are located at KWD0.205, KWD0.196 and KWD0.180 but only below the last line will bring back to focus all-time low at KWD0.144.

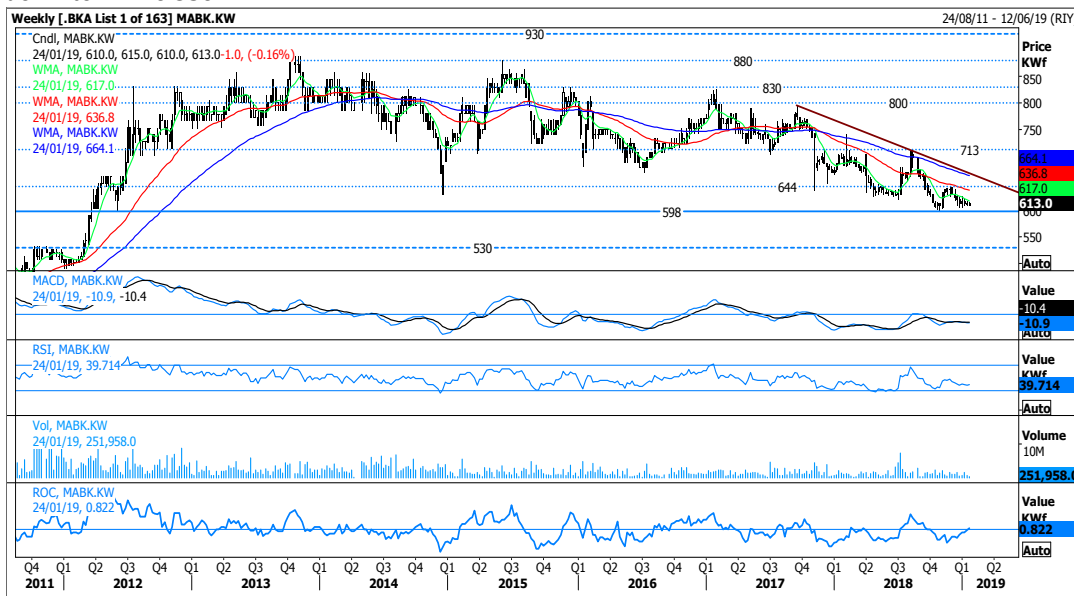


RSI	56.580
MACD	0.100
ROC	6.646
M10	0.218
M50	0.217
M100	0.218
S1	0.205
S2	0.196
S3	0.180
R1	0.250
R2	0.264
R3	0.290

**Mabane Co.**

Reuters Ticker: <MABK.KW>

**Price closed at KWD0.613.** The stock continues to hover near its more than 6-years low at KWD0.598 and not showing any signs of bottoming at present. A jump over the first resistance level at KWD0.644 would decrease the downward risk and increase the chances of targeting the next layer at KWD0.713. However, a fall below KWD0.598 will most likely re-instate the bearish tone and call for another leg down to KWD0.530.



RSI	39.714
MACD	-10.400
ROC	0.822
M10	0.617
M50	0.637
M100	0.664
S1	0.598
S2	0.530
S3	0.490
R1	0.644
R2	0.713
R3	0.770

**National Industries Group Holding**

Reuters Ticker: <NIND.KW>

**Price closed at KWD0.168.** Although the stock is moving within the positive territory, bulls need to surpass the resistance level at KWD0.176 to gain further confidence, a case if happens would open the space for a jump towards KWD0.204. On the other side, a sharp drop is not favored on the coming period but some attempts to go down could be seen, knowing that a fall below KWD0.145 could lead to KWD0.135 and KWD0.126.



RSI	60.467
MACD	0.900
ROC	7.692
M10	0.163
M50	0.158
M100	0.155
S1	0.145
S2	0.135
S3	0.126
R1	0.176
R2	0.204
R3	0.220

## 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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