

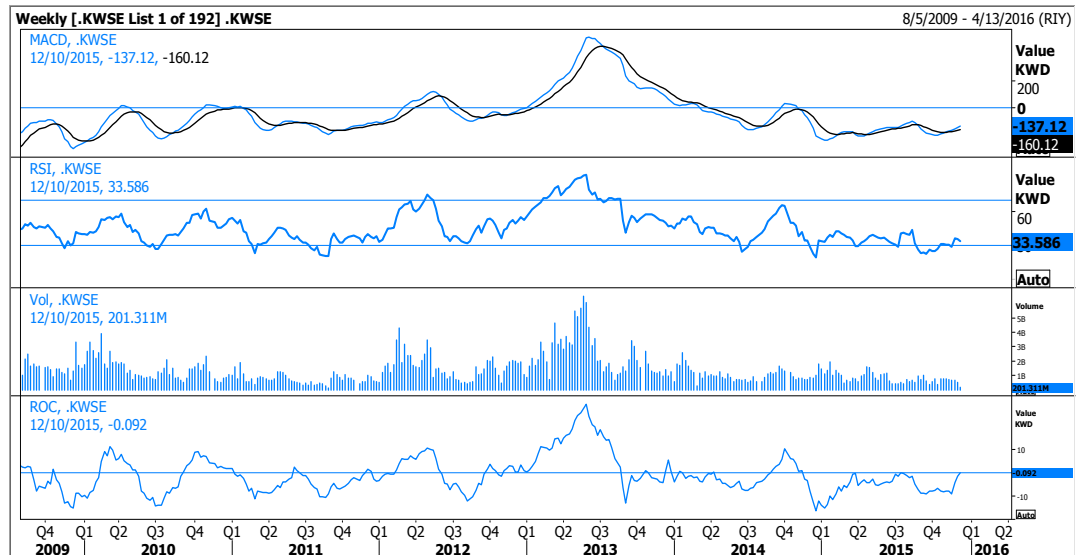
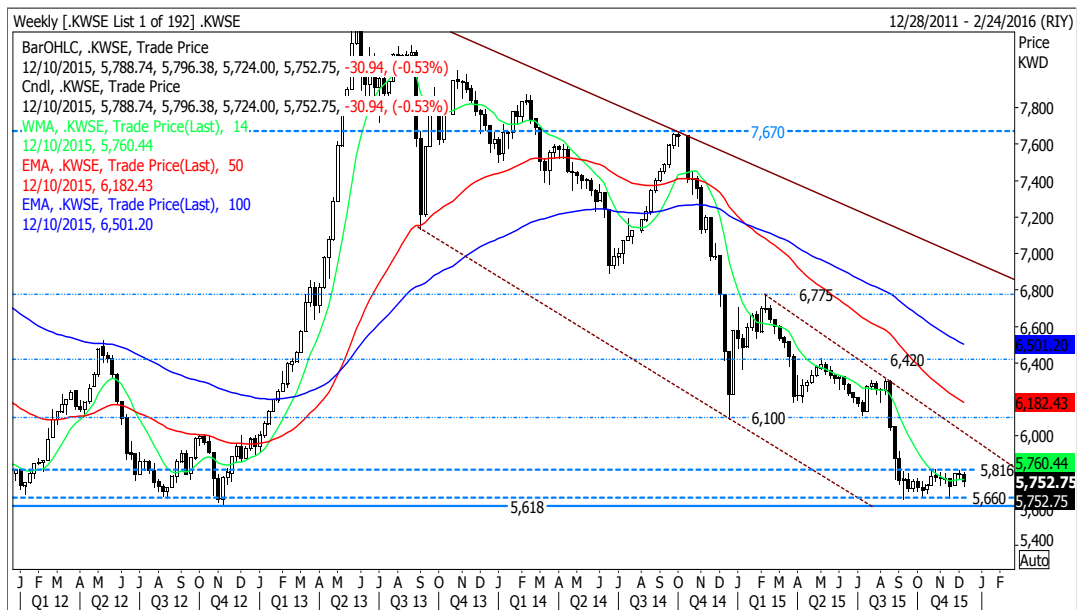
### Kuwait Stock Exchange

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**Kuwait Stock Exchange Price Index <.KWSE> closed at 5,752.75.** The market inched up after our last report due to the continuous reluctance of breaking below 5,660 point (slightly above the critical support level at 5,618 point), forming a temporarily triple bottom on the weekly chart, but the move is still not convincing to confirm a base near there. Meanwhile, the index continues to find difficulties to rally beyond the resistance line at 5,816 point, knowing that managing to do so would enhance further potential towards 5,900 point (38.2% level of the Fibonacci Retracement from 6,300 point-5,650 point) and 6,000 point (50% level). On the counter side, we still believe that an aggressive bearish move would only be seen once the index trades below the horizontal line at 5,618 point, a case if happens will trigger an initial level at 5,400 point. Both daily and weekly RSI indicators are looking negative at present.

Short-term investors who entered the market at levels near 5,618 point can stay with a stop-loss below there, while medium-term and long-term investors can enter the market only above 5,816 point and 6,200 point, respectively.



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**Al Arjan International Real Estate Co.**

Reuters Ticker: <ARGK.KW>

**Price closed at KWD0.174.** Although the stock remains above the support area at KWD0.168-KWD0.160, but it needs to show further evidences to confirm that some momentum is underway. Managing to overcome the tiny resistance line at KWD0.182 would increase the chances of reaching KWD0.200 but only above this would confirm a re-test of KWD0.220. On the counter side, a fall below the aforementioned support zone could bring back to focus the horizontal line at KWD0.136.



RSI	47.572
MACD	-1.6
ROC	0.000
M10	0.175
M50	0.178
M100	0.179
S1	0.168
S2	0.160
S3	0.136
R1	0.182
R2	0.200
R3	0.220

**Munshaat Real Estate Projects Co.**

Reuters Ticker: <MUNS.KW>

**Price closed at KWD0.080.** The failure of the stock to extend above the tiny resistance line at around KWD0.092 and the move below its MAs suggests an increased risk that additional weaknesses can develop, knowing that the nearby support levels come at KWD0.074 and KWD0.068. However, back above KWD0.092 accompanied with an increase in trading activity would alleviate the downside pressure and promote KWD0.102 before KWD0.110.



RSI	28.619
MACD	-4.1
ROC	-14.894
M10	0.096
M50	0.110
M100	0.090
S1	0.074
S2	0.068
S3	0.058
R1	0.092
R2	0.110
R3	0.128

**Ikarus Petroleum Industries Co.**

Reuters Ticker: <IKAR.KW>

**Price closed at KWD0.090.** The stock saw some relief after finding support at KWD0.082, above the critical line at KWD0.070; however, the current technical picture is ambiguous regarding the next move. A close above the first resistance level at KWD0.096 would increase the probability of having a temporarily base at KWD0.082 and call for KWD0.110, while above there will shift the trading range to KWD0.110-KWD0.132. However, a sudden dip below KWD0.082 would trigger KWD0.070.



RSI	27.145
MACD	-12.3
ROC	-11.765
M10	0.095
M50	0.118
M100	0.138
S1	0.082
S2	0.070
S3	0.064
R1	0.096
R2	0.110
R3	0.132

**Danah Alsafat Foodstuff Co.**

Reuters Ticker: <DANK.KW>

**Price closed at KWD0.091.** The sentiment turned cautious on the last few weeks when the bullish momentum weakened after reaching KWD0.097, but the stock remains within a positive territory. However, it is necessarily for the price to overcome KWD0.097 to validate a positive continuation pattern that could lead to KWD0.108 before KWD0.120. On the counter side, a close below KWD0.088 would be a negative sign that would trigger the support zone at KWD0.081-KWD0.079.



RSI	56.721
MACD	1.2
ROC	9.639
M10	0.086
M50	0.084
M100	0.088
S1	0.088
S2	0.079
S3	0.070
R1	0.097
R2	0.108
R3	0.120

## 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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