

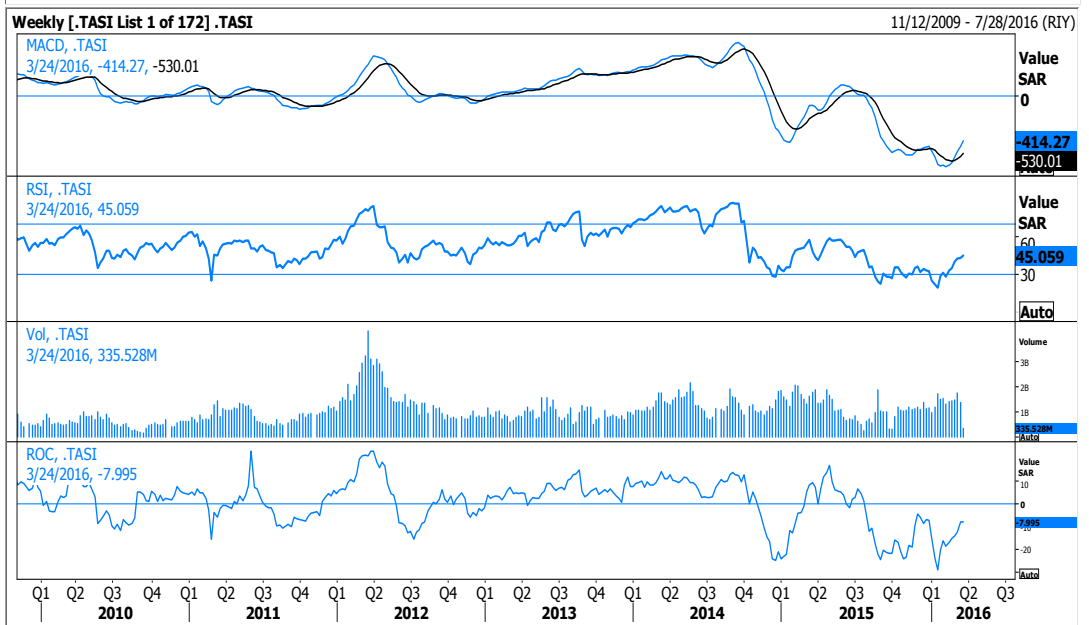
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Saudi Stock Exchange

Tadawul All Share Index <.TASI> closed at 6,482.35. The market fulfilled our first target level at 6,400 point as the bullish tone continued. The next move is more likely to be towards 6,700 point and 6,900, given the recent jump over the upper end of the 5-months descending trend line and the move above the 14-weeks MA. On the counter side, some attempts to go down can take place on the short-term period after six consecutive weeks of gains, knowing that the nearby support levels are located at 6,300 point, 6,200 point and 6,100 point. Both weekly and daily RSI indicators are currently leaning more towards the bulls.

Medium-term investors can stay in the market as long as the index closes above 6,100 point, while long-term investors can enter at levels higher than 7,000 point.



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Saudi Kayan Petrochemical Co.

Reuters Ticker: <2350.SE>

Price closed at SAR5.30. The stock is more likely set for an upward correction after it saw a firm rejection to go below SAR4.40. Overhead resistance levels are intense; as we have SAR5.75 and SAR6.60 (38.2% level of the Fibonacci Retracements from SAR10.30-SAR4.40), while above there would open the space for further advance towards SAR7.40 (50% level). On the counter side, seeing another leg down is not favored but a fall below SAR4.75 would allow a re-test of SAR4.40.



RSI	32.152
MACD	-1.18
ROC	-32.484
M10	5.10
M50	7.30
M100	9.45
S1	4.75
S2	4.60
S3	4.40
R1	5.75
R2	6.60
R3	7.40

Dar Al Arkan Real Estate Development Co.

Reuters Ticker: <4300.SE>

Price closed at SAR5.15. The stock saw some relief after hitting all time low at SAR4.30, while additional buying momentum can still be seen on the coming period. A break above the tiny resistance line at SAR5.20 would promote SAR5.75, SAR6.45 and maybe more to SAR7.50. On the negative side, the nearby support levels are located at SAR4.65 and SAR4.50 but an aggressive move down is unlikely to take place.

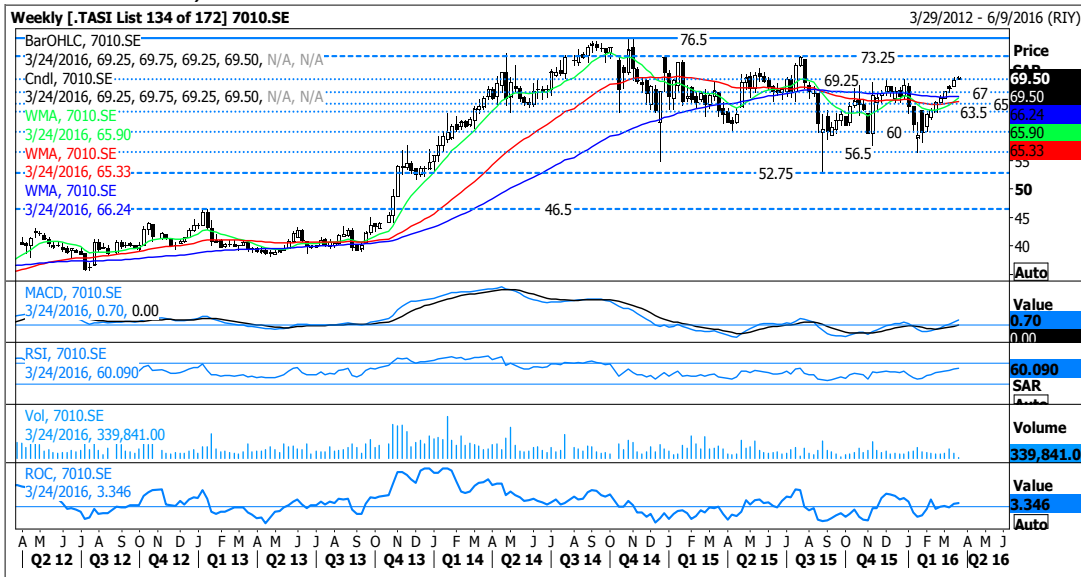


RSI	36.782
MACD	-0.74
ROC	-16.260
M10	4.90
M50	6.20
M100	7.80
S1	4.65
S2	4.50
S3	4.30
R1	5.75
R2	6.45
R3	7.50

Saudi Telecom Co.

Reuters Ticker: <7010.SE>

Price closed at SAR69.50. The recent break above December high at SAR69.25 is a positive sign along with the close over all MAs; however, this should be enough to anticipate another jump towards the next layer of resistance at SAR73.25, at which we could see some weaknesses. On the counter side, back below the support area at SAR67.00-SAR65.00 would delay the upward momentum and trigger SAR63.50 and maybe SAR60.00.



RSI	60.090
MACD	0.00
ROC	3.346
M10	65.90
M50	65.35
M100	66.25
S1	67.00
S2	63.50
S3	60.00
R1	71.25
R2	73.25
R3	76.50

Ethihad Etisalat Co.

Reuters Ticker: <7020.SE>

Price closed at SAR30.00. The last positive action of the stock suggests that further strength is underway and eyes now have shifted towards the horizontal line at SAR33.40. However, the bulls need to print a firm close above there to anticipate another leg up to SAR41.60 before SAR46.20. On the opposite side, the support level at SAR25.00 should prevent a slippage back to the support zone at SAR22.00-SAR18.85.



RSI	56.668
MACD	-2.34
ROC	4.530
M10	25.15
M50	27.65
M100	38.45
S1	25.00
S2	22.00
S3	18.85
R1	33.40
R2	41.60
R3	46.20

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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