

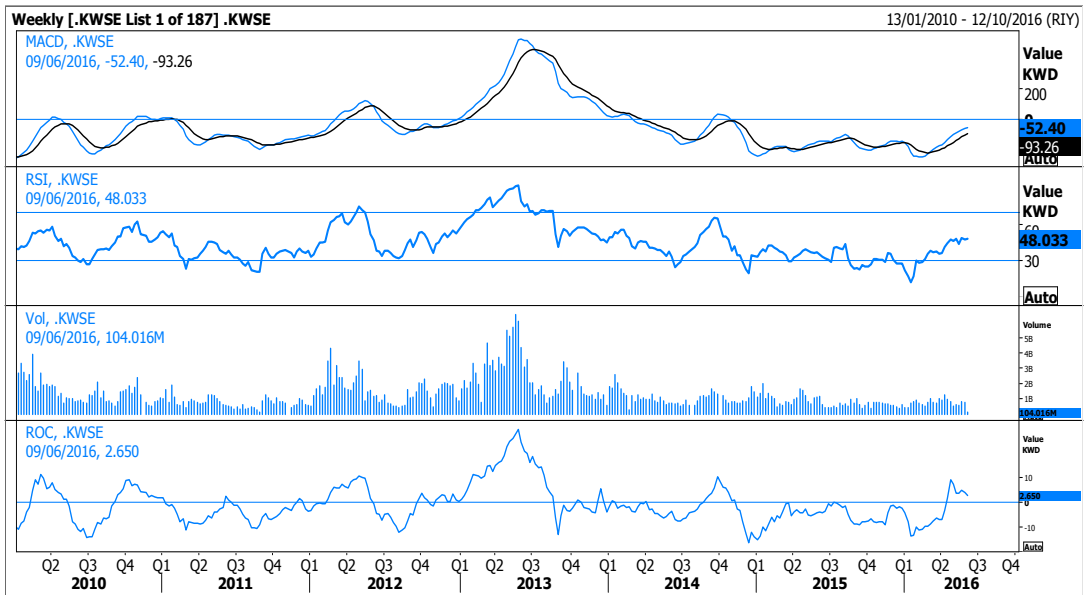
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Kuwait Stock Exchange

Kuwait Stock Exchange Price Index <.KWSE> closed at 5,382.97. Market sentiment turned cautious since the end of April when the bullish momentum weakened. Meanwhile, no aggressive downside move has been seen lately, keeping the market within a tight range of 5,280 point-5,450 point. However, the bulls are required to show buying potential above the resistance level at 5,450 point, which if happens would seal a more constructive outlook towards an initial level at 5,550 point before 5,650 point. On the counter side, only losing the support line at 5,280 point would deepen the bearish move to 5,180 point and maybe 5,100 point. Both weekly and daily RSI indicators are currently looking neutral.

Medium-term investors can stay in the market but should be aware if the index closes below 5,280 point, while the long-term investors can only enter above 5,650 point.



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Gulf Bank

Reuters Ticker: <GBKK.KW>

Price closed at KWD0.224. The stock found support at KWD0.218 before rebounding back but needs further confirmation to decrease the downside risk. A jump above KWD0.234 would be a bullish sign that should lead to a re-test of the resistance level at KWD0.255; however, a firm close above KWD0.255 will call for a positive continuation pattern. On the other side, a fall below KWD0.218 would most likely bring back to focus all time low at KWD0.202.



RSI	41.734
MACD	-7.3
ROC	9.804
M10	0.230
M50	0.238
M100	0.256
S1	0.218
S2	0.210
S3	0.202
R1	0.234
R2	0.255
R3	0.270

Kuwait International Bank

Reuters Ticker: <KIBK.KW>

Price closed at KWD0.194. Although the current signal is pointing more towards the bears but chances of moving in either way is equal. The price is hovering near this year low at KWD0.188, which could be a good opportunity to start accumulating the stock once again; however, a dip below it will call for a deeper bearish tone towards KWD0.170 and maybe more to KWD0.148. On the counter side, the first sign of improvement would be above KWD0.200, which then could lead to KWD0.216.



RSI	40.724
MACD	-6.1
ROC	0.000
M10	0.200
M50	0.208
M100	0.226
S1	0.188
S2	0.170
S3	0.148
R1	0.200
R2	0.216
R3	0.224

ALAFCO Aviation Lease and Finance Co.

Reuters Ticker: <ALAF.KW>

Price closed at KWD0.198. The stock is back under pressure as it failed to regain positive momentum above its MAs, knowing that below the current price would trigger additional losses towards KWD0.188 and maybe the strong support level at KWD0.176. However, a close above the tiny resistance line at KWD0.206 would increase the probability of reaching once again this year high at KWD0.218.

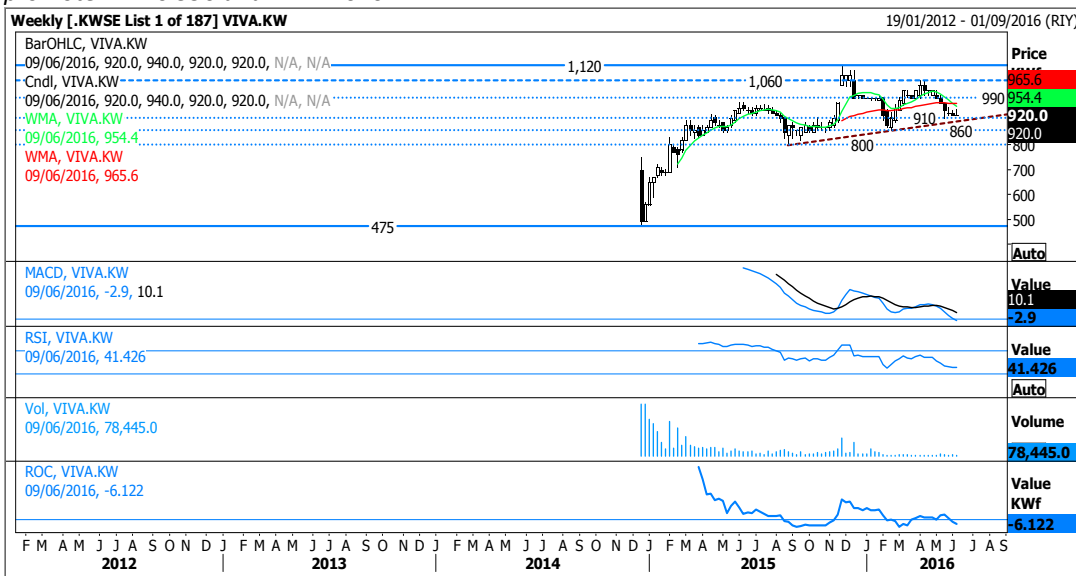


RSI	43.618
MACD	-1.6
ROC	-2.941
M10	0.204
M50	0.206
M100	0.214
S1	0.198
S2	0.188
S3	0.176
R1	0.206
R2	0.218
R3	0.234

Kuwait Telecommunications Co.

Reuters Ticker: <VIVA.KW>

Price closed at KWD0.920. The stock is currently residing in the negative territory and threatens to go below the support zone at KWD0.910-KWD0.900, knowing that a successful close below there would call for a deeper correction mode from all time high at KWD1.120 to KWD0.860 and maybe more to KWD0.800. However, back above KWD0.960 would alleviate the downside pressure and promote KWD0.990 and KWD1.020.



RSI	41.426
MACD	10.1
ROC	-6.122
M10	0.950
M50	0.960
M100	1.000
S1	0.900
S2	0.860
S3	0.800
R1	0.960
R2	0.990
R3	1.020

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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