

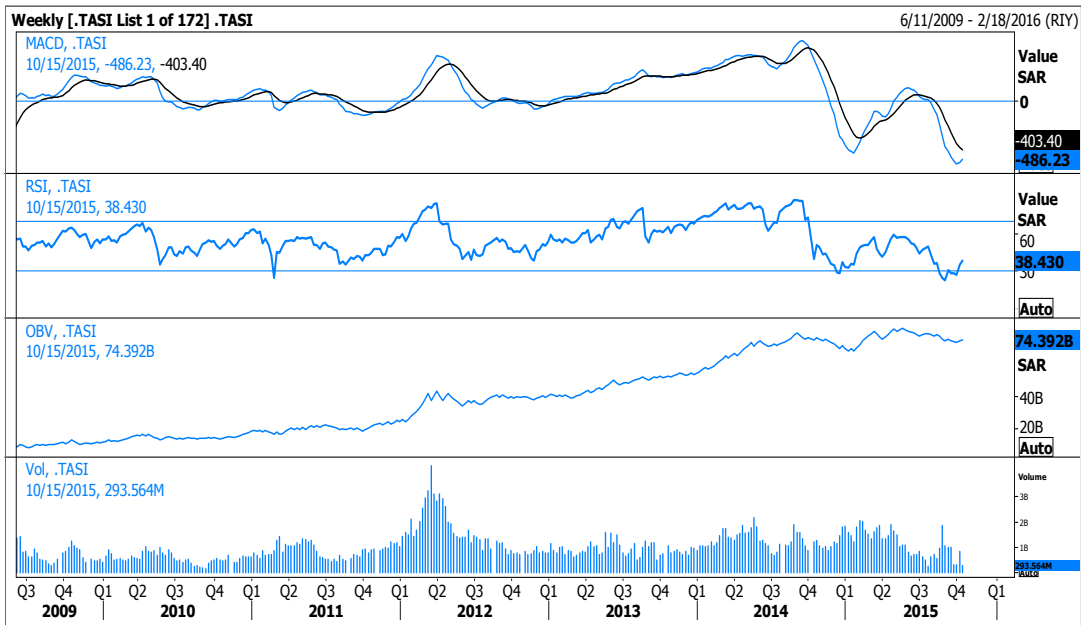
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Saudi Stock Exchange

Tadawul All Share Index <.TASI> closed at 7,827.08. As was expected before, continued reluctance of breaking below the support line at 7,220 point has encouraged bulls to enter the market, eroding short-term MAs. Eyes now are more towards the resistance area at 7,950 point-8,060 (38.2% level of the Fibonacci Retracement from 9,900 point-6,920 point), knowing that a successful break above this would promote the second resistance line at 8,400 point (50% level). On the negative side, the nearby support levels are located at 7,600 point, 7,400 point and 7,220 point but only below the last level would change the picture and allow for a re-test of last August's low at 6,920 point. Both weekly and daily RSI indicators are looking positive at present.

Short-term investors can stay in the market, while medium-term should be aware as the index is hovering near its MA at 7,800 point. Long-term investors can enter only above 8,700 point.



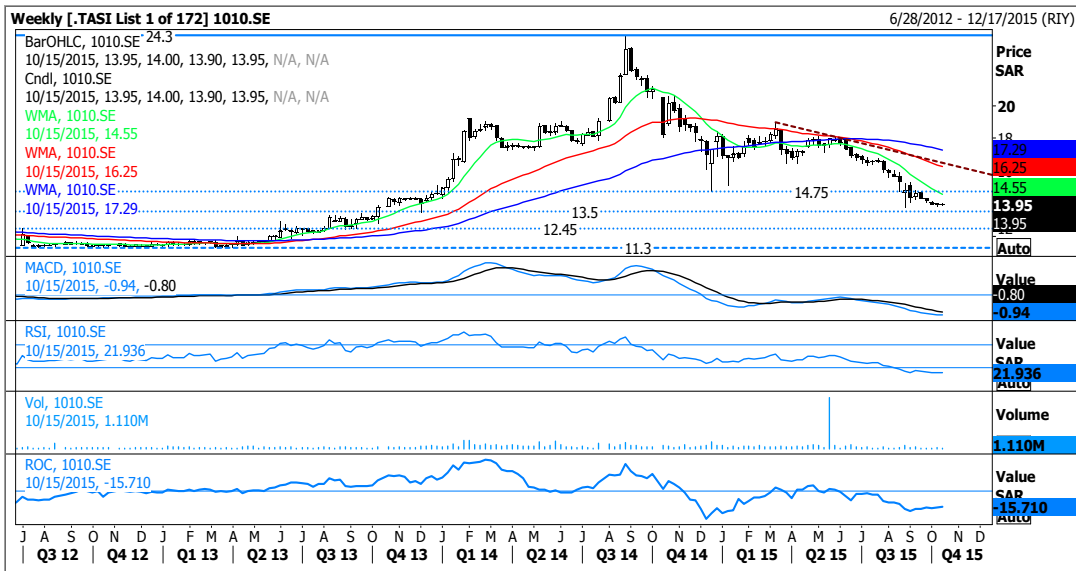
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Riyad Bank

Reuters Ticker: <1010.SE>

Price closed at SAR13.95. No signs of improvement have been spotted yet on the weekly chart to conclude a reversal pattern. The stock is near the low of August at SAR13.80, while below it would trigger the support zone at SAR13.50-SAR13.25, which should attract some buying momentum. Chances are also there for some strength to take place due to the residency of RSI indicators in the oversold territory, knowing that the nearby overhead levels are located at SAR14.75 and SAR15.25.

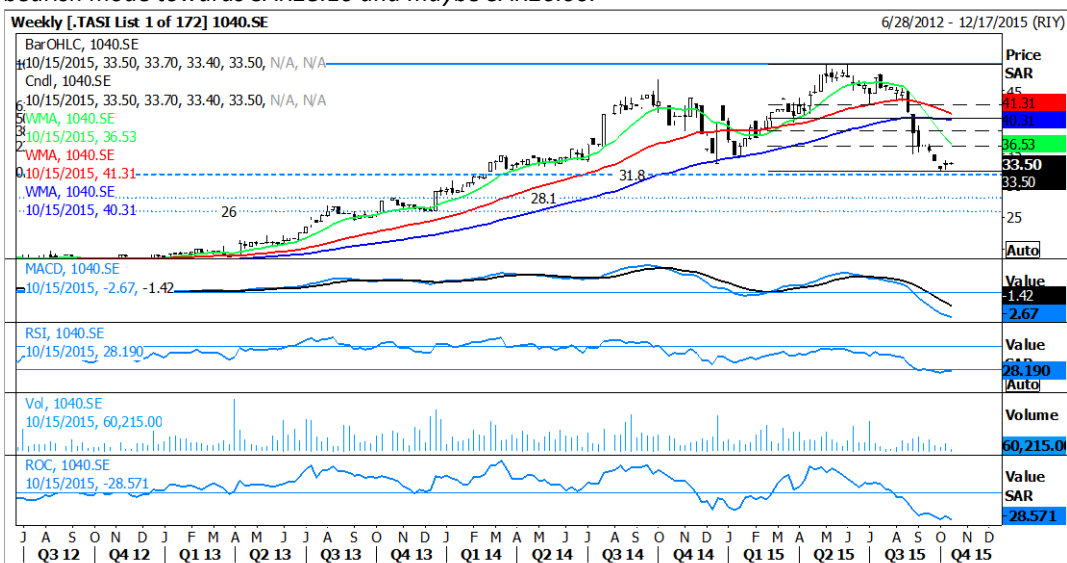


RSI	21.936
MACD	-0.80
ROC	-15.710
M10	14.55
M50	16.25
M100	17.30
S1	13.50
S2	12.45
S3	11.30
R1	14.75
R2	16.00
R3	18.00

Saudi Hollandi Bank

Reuters Ticker: <1040.SE>

Price closed at SAR33.50. The price saw some brief recovery near the strong support line at SAR31.80 and it will not be a surprise to see further correction towards SAR35.20 before SAR36.20-SAR36.90; however, if the stock is able to get through there, then we could see a move back to SAR38.70. On the counter side, failure to head north would put SAR31.80 back under pressure and deepen the bearish mode towards SAR28.10 and maybe SAR26.00.

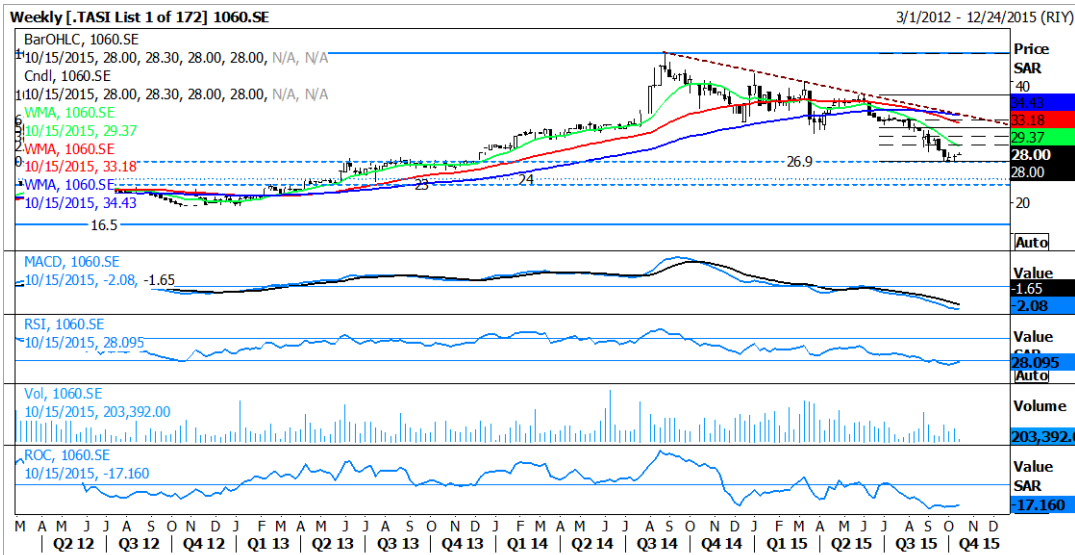


RSI	28.190
MACD	-1.42
ROC	-28.571
M10	36.55
M50	41.30
M100	40.30
S1	32.20
S2	28.10
S3	26.00
R1	35.20
R2	36.90
R3	40.70

Saudi British Bank

Reuters Ticker: <1060.SE>

Price closed at SAR28.00. Momentum has shifted to the benefit of the bulls at present as a result of its failure to dip below the horizontal line at SAR26.90, forming a temporarily triple bottom on the weekly chart, and the ongoing recovery of its RSI indicators from the overbought territory. Next resistance levels come at SAR29.50 and SAR31.00, while above there would promote SAR32.30. However, only losing SAR26.90 would delay the upward move and re-target SAR24.00.



RSI	28.095
MACD	-1.65
ROC	-17.160
M10	29.35
M50	33.20
M100	34.35
S1	26.90
S2	24.00
S3	23.00
R1	29.50
R2	32.30
R3	33.60

Samba Financial Group

Reuters Ticker: <1090.SE>

Price closed at SAR23.95. Further correction to the upside from the support line at SAR22.30 does look quite feasible but the volume behind the recent positive move is still low, so some caution is warranted. The challenge for the price on the coming period is to print a firm close above the resistance level at SAR24.70, which if cleared would call for SAR26.40. On the negative side, a sudden fall below SAR22.30 will most likely target the critical line at SAR20.90.



RSI	40.452
MACD	-0.94
ROC	-12.591
M10	23.95
M50	26.30
M100	26.40
S1	22.30
S2	20.90
S3	18.95
R1	24.70
R2	26.50
R3	28.00

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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