

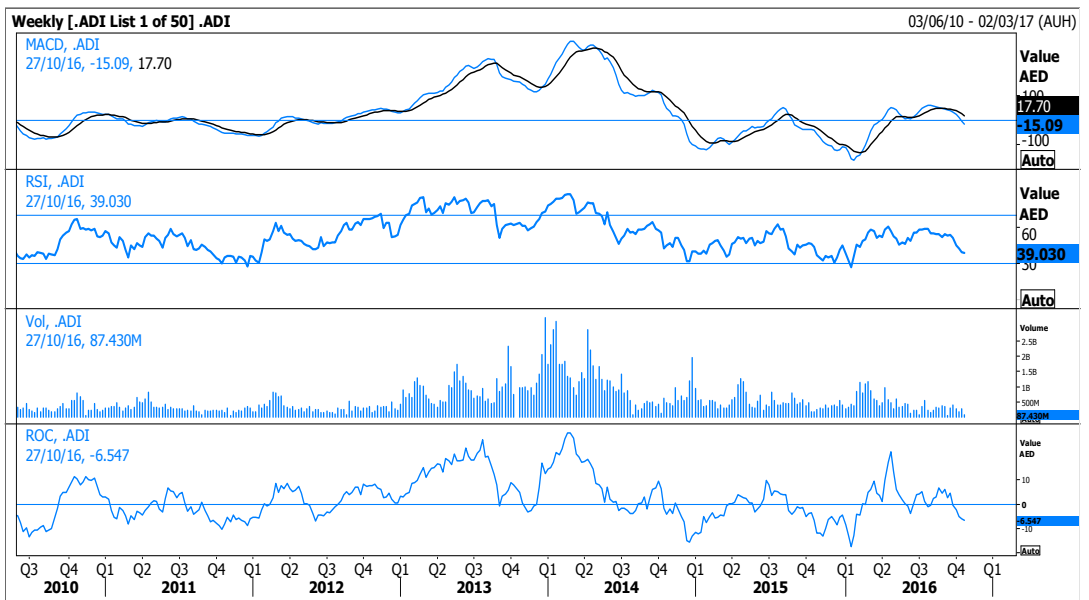
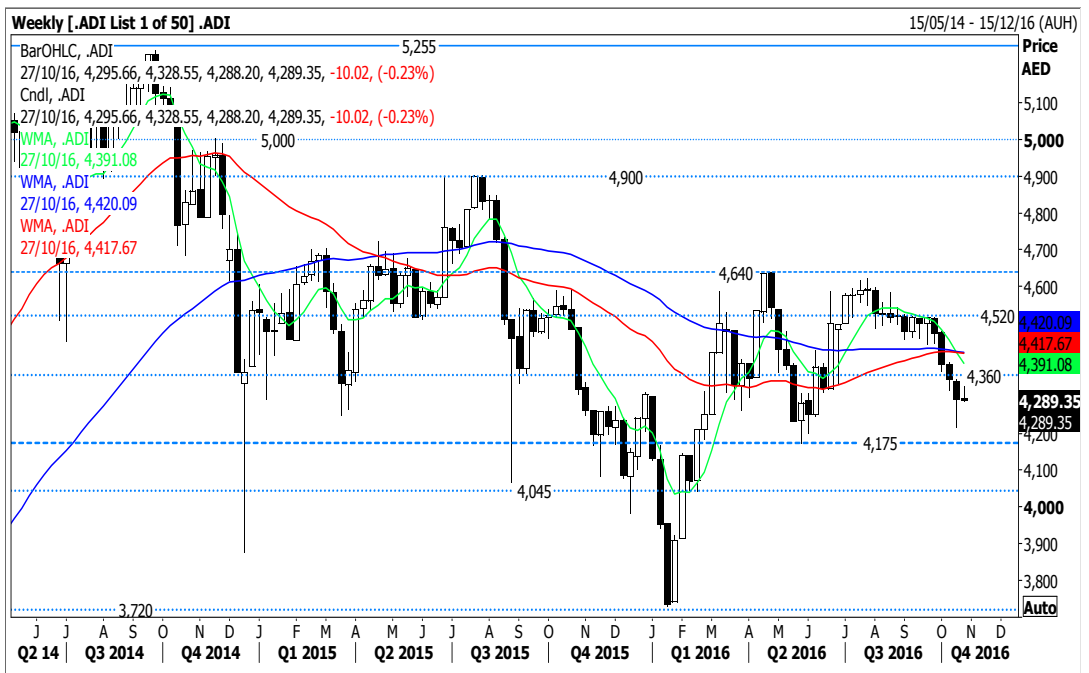
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### Abu Dhabi Securities Exchange

**ADX General Index <.ADI> closed at 4,289.35 point.** The market approached the strong horizontal line at 4,175 point due to the break below the support area at 4,460 point-4,400 point, as was expected in our last analysis, before it witnessed some relief. The next overhead resistance level comes at 4,360 point, while above it would enhance further buying momentum towards 4,410 point and 4,440 point. On the counter side, back below 4,270 point would trigger 4,220 point but only below 4,175 point would anticipate an aggressive move down. Weekly and daily RSI indicators are currently looking neutral.

Medium-term and long-term investors can only enter the market at levels higher than 4,410 point and 4,520 point, respectively.



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**Abu Dhabi Commercial Bank**

Reuters Ticker: <ADCB.AD>

**Price closed at AED6.15.** The stock could not sustain its upward move after reaching our target price at AED7.00, falling below its MAs and threatening to re-test the horizontal line at AED5.70. However, failing to hold a close above AED5.70 would most likely allow a dip towards the strong support level at AED5.05. On the counter side, back above the resistance area at AED6.40-AED6.60 will be a good sign that should lead to AED7.00 and AED7.36.



RSI	45.199
MACD	-0.03
ROC	-2.690
M10	6.30
M50	6.35
M100	6.65
S1	5.70
S2	5.05
S3	4.40
R1	6.60
R2	7.00
R3	7.36

**First Gulf Bank**

Reuters Ticker: <FGB.AD>

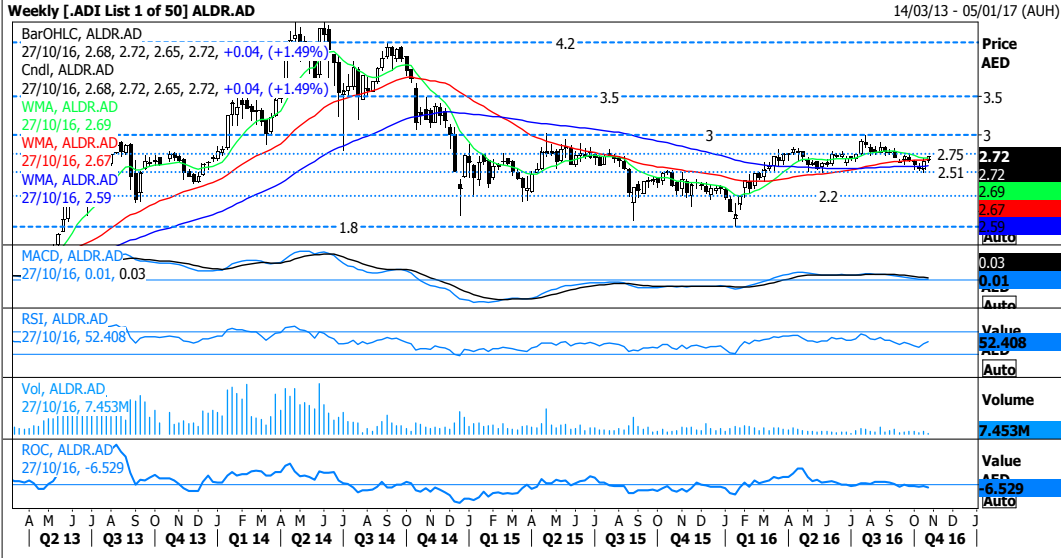
**Price closed at AED10.90.** The stock found a support level at AED10.60 before inching up but the rebound is still not enough to confirm an end to the downside move, knowing that a firm close above the resistance area at AED11.45-AED11.65 would alleviate the downside risk and call for a move to AED12.20. However, only above the strong resistance level at AED13.50 will establish a new bull trend. On the opposite side, losing AED10.60 would trigger AED9.90 and maybe AED9.30.



RSI	34.700
MACD	-0.18
ROC	-10.288
M10	11.45
M50	11.95
M100	12.60
S1	10.60
S2	9.90
S3	9.30
R1	11.25
R2	12.20
R3	13.00

**ALDR Properties** Reuters Ticker: <ALDR.AD>

**Price closed at AED2.72.** The reluctance of breaking below the support level at AED2.51 several times would most likely increase the upside chances and call for an advance towards AED2.83 before AED3.00. However, it is necessary for the stock to surpass the resistance line at AED3.00 to confirm a positive continuation pattern and open the space for AED3.50. On the other side, only below AED2.51 will shift the move to AED2.20 and maybe AED1.80.



RSI	52.408
MACD	0.03
ROC	-6.529
M10	2.69
M50	2.67
M100	2.59
S1	2.51
S2	2.20
S3	1.80
R1	2.75
R2	3.00
R3	3.50

**Emirates Telecommunications Group Co.** Reuters Ticker: <ETEL.AD>

**Price closed at AED19.40.** The stock is swinging between a tight range of AED19.10-AED20.20 and the next move could be in either direction. However, the RSI indicators are leaning more towards the bears and some downwards correction could be underway, knowing that a dip below AED19.10 would be the first negative sign that should lead to AED18.50 and AED17.15. On the positive side, only a cross over AED20.20 will re-activate the upside potential and promote AED22.00.



RSI	54.267
MACD	0.60
ROC	-2.757
M10	19.75
M50	19.00
M100	17.15
S1	19.10
S2	18.50
S3	17.15
R1	20.20
R2	22.00
R3	24.00

## 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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