

Technical Analysis – Boursa Kuwait

21-May-2018

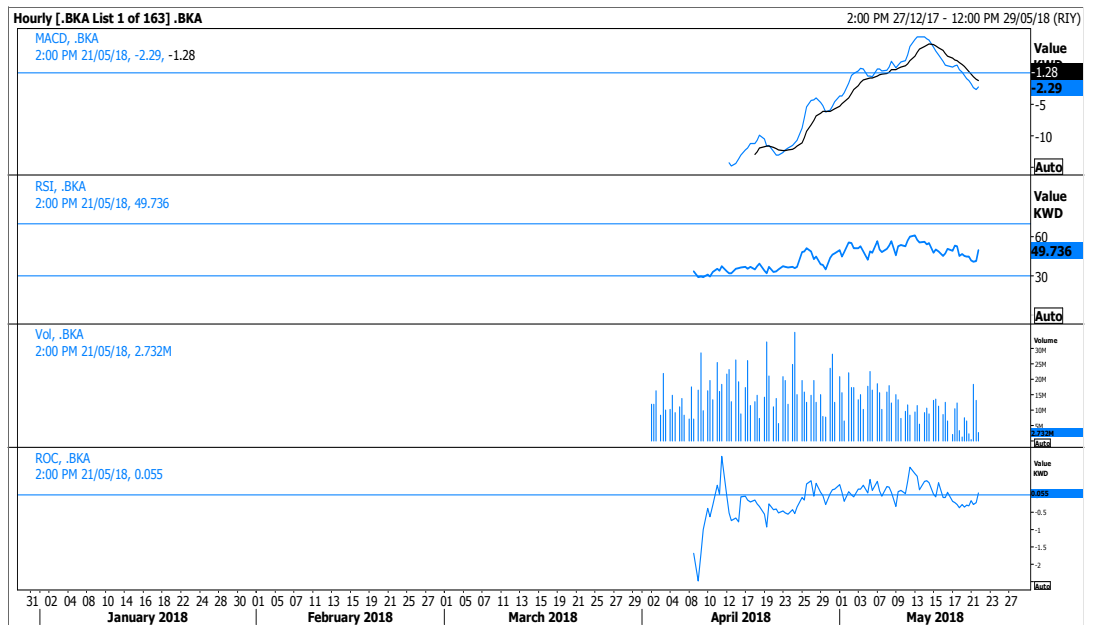
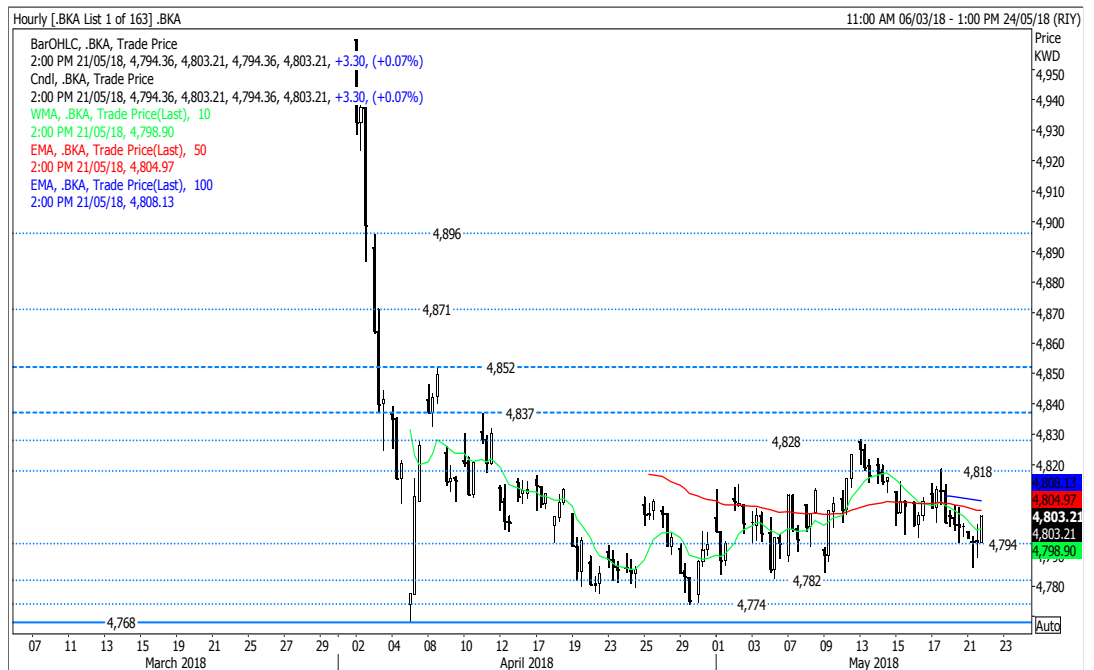
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Boursa Kuwait

All Share Market Index <.BKA> closed at 4,803.21 point. Fluctuations remains in the market and the index continues to find support from the horizontal line at 4,768 point along with the resistance level at 4,852 point acting as an obstacle to further advance. However, overhead resistance levels are intense as we have 4,818 point, 4,828 point and 4,837 point but for a new positive trend to take place, the market should print a firm close above 4,852 point. On the other side, the nearby support levels are located at 4,782 point and 4,774 point but only below 4,768 point will re-instate the bearish tone and lead to 4,650 point.

Medium-term and long-term investors can re-enter the market at levels higher than 4,852 point and 4,968 point, respectively.



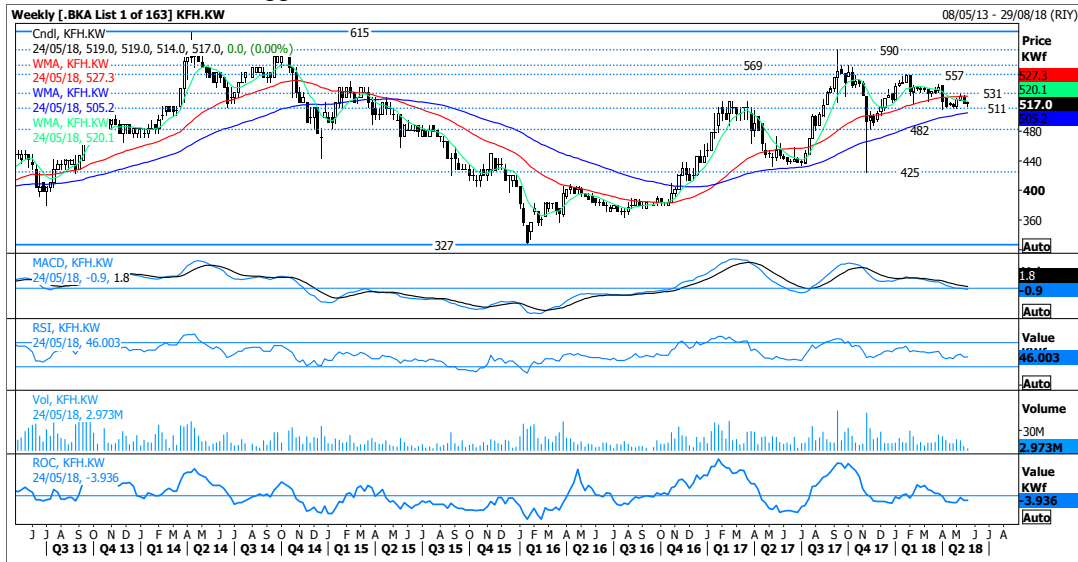
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Kuwait Finance House

Reuters Ticker: <KFH.KW>

Price closed at KWD0.517. The stock has been moving within the range of KWD0.511-KWD0.531 for the last couple of weeks, while a break of either line is required to indicate the next move. Managing to jump over KWD0.531 will enhance some buying momentum towards KWD0.543 and KWD0.557 but needs to clear KWD0.590 to confirm a return to the strong level at KWD0.615. However, a fall below KWD0.511 will trigger KWD0.482 and KWD0.465.

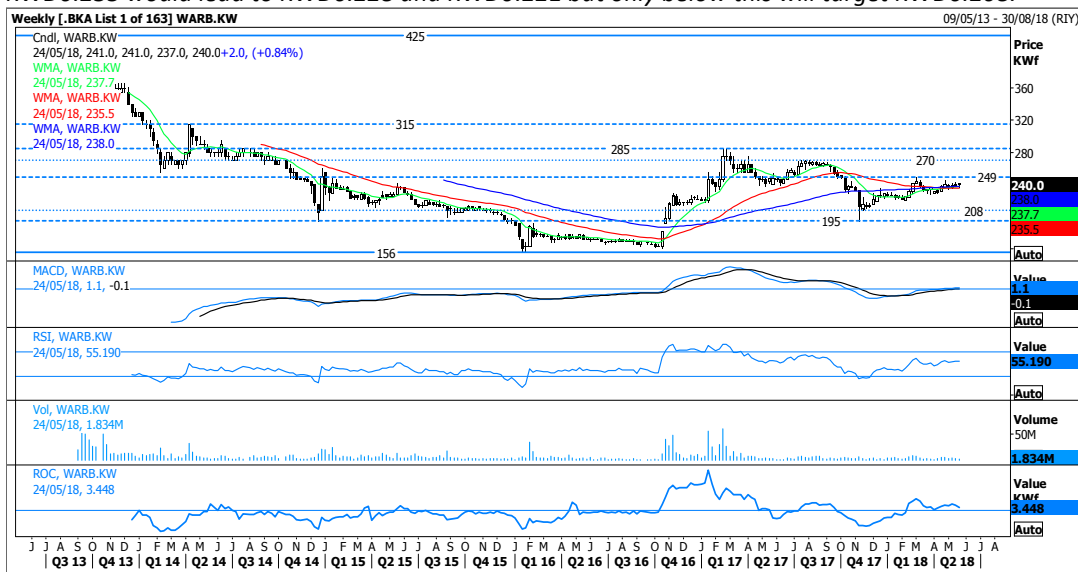


RSI	46.003
MACD	1.80
ROC	-3.936
M10	0.520
M50	0.527
M100	0.505
S1	0.511
S2	0.482
S3	0.425
R1	0.531
R2	0.557
R3	0.590

Warba Bank

Reuters Ticker: <WARB.KW>

Price closed at KWD0.240. The technical signal turned cautious and the stock can move in either direction. The close above all MAs on the weekly chart is considered positive but to gain confidence, bulls are required to surpass the horizontal line at KWD0.249. Knowing that a successful close above this would increase the chances of reaching KWD0.270 and KWD0.285. On the counter side, losing KWD0.235 would lead to KWD0.228 and KWD0.221 but only below this will target KWD0.208.

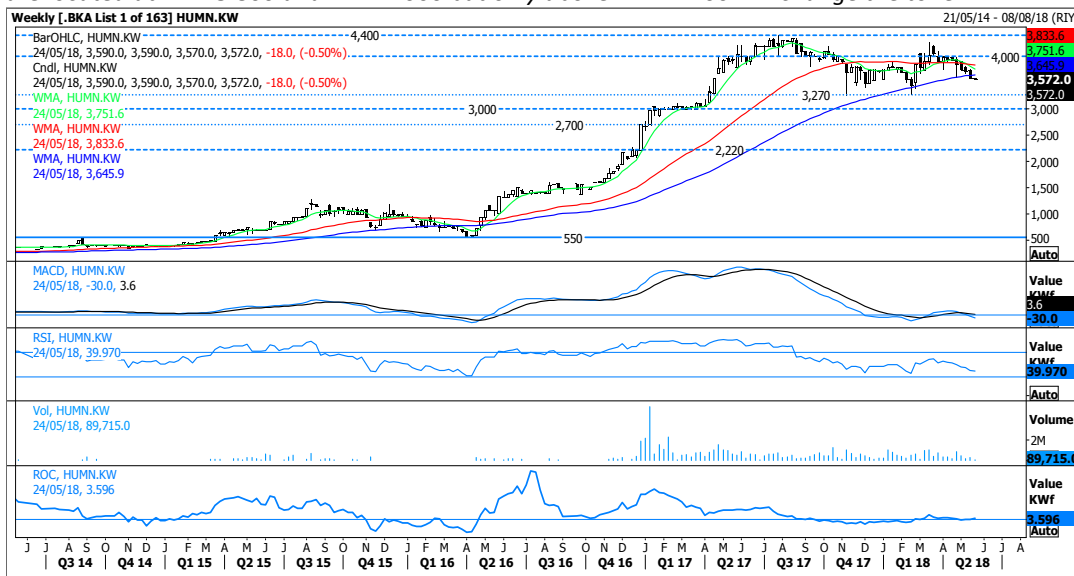


RSI	55.190
MACD	-0.10
ROC	3.448
M10	0.237
M50	0.235
M100	0.238
S1	0.235
S2	0.221
S3	0.208
R1	0.249
R2	0.270
R3	0.285

HumanSoft Holding Co.

Reuters Ticker: <HUMN.KW>

Price closed at KWD3.572.0. The stock has lost its upward momentum and came under pressure. The next bolded defense level come at KWD3.270, which if broken will call for further correction to KWD3.000 and KWD2.930 (38.2% level of the Fibonacci Retracements from KWD0.550-KWD4.400), while below this could target KWD2.480 (50% level). On the other side, the nearby resistance levels are located at KWD3.800 and KWD4.000 but only above KWD4.400 will change the tone.



RSI	39.970
MACD	3.60
ROC	3.596
M10	3.750
M50	3.835
M100	3.645
S1	3.270
S2	3.000
S3	2.700
R1	3.800
R2	4.000
R3	4.400

National Industries Group Holding

Reuters Ticker: <NIND.KW>

Price closed at KWD0.159. We still look for a jump over last year high at KWD0.170 to confirm the establishment of a new bull trend and call for a gradual increase towards KWD0.204. However, the failure to do so could lead to some weaknesses in an attempt to fulfill the gap on the weekly chart at KWD0.145. Knowing that a fall below KWD0.145 will trigger the strong support level at KWD0.135, which should prevent additional losses.



RSI	57.162
MACD	2.70
ROC	-2.454
M10	0.157
M50	0.149
M100	0.143
S1	0.154
S2	0.145
S3	0.135
R1	0.170
R2	0.185
R3	0.204

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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