KSE INDEX: WAITING FOR DIRECTION

AGILITY: IN SEARCH OF A PEAK - BUY THE DIPS

AGLT.KW – DAY CHART

DEMAND, SUPPLY AND DIRECTION - HOW TO USE TECHNICAL ANALYSIS

Investors can combine TA with FA for

• KSE Index (.KWSE: 5,902.10 points)
  The Index is approaching the resistance of 6,035 points. A close above this barrier means a rally to higher levels. Wait for a breakout and act accordingly. Investor: Hold.

• Al Ahli Bank of Kuwait [ABKK.KW: KD 0.670] the stock faced resistance at KD 0.680-0.700. The trend remains down. Sell the rallies. Support is found at KD 0.580. Investors: Hold.

• Kuwait Finance house (KFH) [KFIN.KW: KD 0.890] the stock is testing support at KD 0.880. Risk takers can enter at current levels. Stop loss at KD 0.860. The trend remains down. Traders can sell the rallies. Investors: Reduce/ Hold.

• Agility [AGLT.KW: KD 0.380] the stock is searching for a peak. The trend is up. Traders can buy the dips. Next resistance is at KD 0.430. Low cost entry levels are found at KD 0.380. Stop loss at KD 0.360. Investors: Add/Hold.

• Mabanee Company [MABK.KW: KD 0.870] the stock is testing resistance levels at KD 0.870-0.900. The trend is flat. Take profits at current levels. Support remains at KD 0.780. A close above KD 0.900 triggers abuy signal. Investors: Hold.

• KIPCO [KPRO.KW: KD 0.330] the stock broke the sideway range and the support at KD 0.320 downwards. The stop loss at KD 0.330 is activated. Traders can sell the dips. Investors: Reduce/ Hold.

• Combining Technical & Fundamental Analysis Investors can combine TA with FA for fine tuning their investment decisions. FA and asset allocation are building blocks for creating an investment portfolio/fund. TA is used to maximize gains/losses through trading the minor zigzag moves during a bull/bear trend. Technical trading signals do not weaken the validity of the fundamental buy/sell recommendations.

• Trend Direction The methods used to determine trend direction are subjective in nature. We use a range of MA’s between 3 & 13 period moving averages, combined with accurately drawn trend lines (which ever is more reliable) to determine the direction of the short and long term trends.

• Investment Horizon (As an approximate guideline, and not a rule) Time horizon for traders/short term trend is 1-3 weeks, and 3-6 months for investors/long.

• Trading Tactics According to your investment horizon watch the direction of the trend. During down trends, investors attempt selling close to resistance levels. During up trends, investors attempt buying close to support levels.

• Support & Resistance The table indicates horizontal S&R levels, and can be used for entering or exiting a trade.

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