Kuwait Stock Exchange

Kuwait Stock Exchange Price Index <.KWSE> closed at 5,902.10 point. The index has seen finally a successful close over the upper end of the minor declining trend line. However, the index struggled this week to make much headway, stalling at 5,930 point but neither seen a noticeable drop and is attempting at the moment to stabilize above 5,900 point. The upward move will stay intact if no close is printed below Augs low at 5,746 point but it is also important to note that regaining the strong resistance level at 6,050 point would illustrate the bullish tone and call for further correction upwards to 6,141 point (50% level of the Fibonacci Retracements from 6,537 point – 5,746 point). Weekly and daily “RSI” indicators are currently neutral, while the trading activity remains steady at suitable levels.

Strategy: Medium-term (11 weeks) and long-term (50 weeks) investors can enter the market at levels higher than 5,930 point and 6,280 point, respectively.
ACICO Industries Co. <ACIC.KW>

ACICO’s stock price closed at KWD0.270. The stock is consolidating its close above the medium-term (11 weeks) moving average, attempting to overcome this month’s high at KWD0.270 towards KWD0.295 (50% level of the Fibonacci Retracements from KWD0.395 – KWD0.196) and KWD0.320 (61.8% level). The behavior points towards a potentially done decline at KWD0.196, neglecting a sharp drop on the coming period and increases the likelihood that further correction upwards is underway, but it is too early to assume that a prolonged recovery has been started. Also, it is worth mentioning that the weekly and daily “RSI” indicators are also supporting the positive outlook. However, it is important for the bulls to sustain a close above the support line at KWD0.250 to keep the uptrend intact. Knowing that a drop below there would retarget KWD0.230 and KWD0.220.

Strategy: Medium-term investors can hold with a stop-loss below KWD0.250, while long-term (50 weeks) investors can start purchasing the stock when the price closes above KWD0.280.

Boubyan Bank <BOUK.KW>

Boubyan Bank’s stock price closed at KWD0.600. The price is being technically neutral for more than eight months, swinging between a range of KWD0.560 – KWD0.620. Although the bias is with the bulls at the moment but an escape of this zone is clearly needed before an outlook is rushed out. Knowing that a deeper correction would be formed once the price is traded below the lower line, aiming for KWD0.520 (61.8% level of the Fibonacci Retracements from KWD0.435 – KWD0.670) as a first target before KWD0.490 (76.4% level). However, a firm close above KWD0.620 would enhance further strength retargeting KWD0.670 (all time high). Weekly “RSI” indicator is bullish, while the daily one is neutral.

Strategy: Medium-term (11 weeks) investors can only buy the stock at levels higher than the current price, while long-term investors should be aware if the price closes below KWD0.590.
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