



<b>TASI</b>	<b>7,072.6</b>	<b>-0.33%</b>
Volume	273.5mn	
Value	SAR7,521mn	
Trades	160,787	

**Research Department**  
research@alrajhi-capital.com  
Tel: +966 12119310/ Fax: +966 1 2119422

## Market Commentary

### Global stocks ends in negative territory

Global stock witnessed some profit booking as investors remained cautious ahead of Fed's decision at the end of its two-day policy meeting on Thursday. Moreover, investors were concerned about euro zone debt crisis, before a German constitutional court ruling on whether Germany may contribute to the euro zone's rescue fund. The ruling is due on Wednesday. Meanwhile, Asia stocks also witnessed selling pressure as Nikkei was trading with a loss of 0.8%, while Hang Seng is down 0.6% at 12:05 HKT.

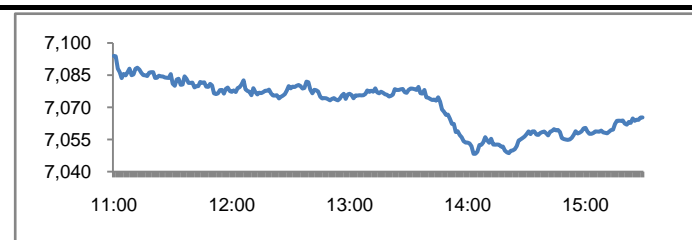
### Tadawul remains above 7,050

- TASI fell 0.3% to end the session at 7,072.6. Twelve out of fifteen sectors ended the session with a decline. Banking sector declined 0.3% while Cement sector continued to witness selling pressure as the sector fell 0.5%. On the gaining side was multi-investment sector jumped 4.7%. Trading turnover declined by 5.1% from Sunday to SAR7.5bn on Monday.
- Market breadth was negative as 2.6 stock fell for every stock that ended the session in green. Market heavyweights SABIC and Al Rajhi fell 0.3% each. Trading favorites Dar Al Arkan fell 2%, while Alinma bank fell 0.3%.

### Outlook

We expect TASI to open with a negative bias as investors are likely to remain cautious ahead of a German constitutional-court ruling and US Fed policy decisions, due later in the week. Technically, TASI is looking weak with a support at 7,050, immediate resistance for the index is at 7,100

## TASI Intra-day Movement



Source: Bloomberg

## Saudi Market Indices

Index	Close	Change (%)	MTD (%)	YTD (%)
Tadawul All Share Index	7,072.6	-0.3	-0.9	10.2
Banks & Financial Services	15,712.2	-0.3	-1.5	7.8
Petrochemical Industries	6,069.0	-0.2	-1.7	-2.6
Cement	5,934.8	-0.5	-2.3	11.2
Retail	7,514.1	-0.4	0.6	16.0
Energy & Utilities	4,760.3	-0.1	-0.8	-4.3
Agriculture & Food Ind.	6,840.5	-0.4	0.0	17.7
Telecom & IT	2,121.5	-1.0	-1.5	27.1
Insurance	1,508.8	0.4	7.5	51.4
Multi-Investment	3,545.1	4.7	6.2	28.6
Industrial Investment	6,408.6	-0.5	-0.4	16.2
Building & Construction	3,184.5	0.3	2.5	-2.4
Real Estate Development	3,684.7	-1.0	-0.7	36.2
Transport	4,607.0	-0.6	-2.9	59.8
Media and Publishing	3,030.9	-0.5	-2.5	41.0
Hotel & Tourism	7,584.8	-0.0	2.2	26.3

Source: Tadawul

GCC Indices	Close	1D%	WTD%	MTD%	YTD%	Value Traded (USD mn)	Exchange Mkt. Cap. (USD mn)	P/E**	P/B**	Dividend Yield%
Saudi Arabia	7,072.6	-0.3	0.3	-0.9	10.2	1,365.9	375,666.9	14.6	1.9	3.3
Qatar	8,477.8	0.2	0.1	-0.1	-3.4	69.5	129,441.9	9.0	1.7	4.4
Dubai	1,557.2	-0.9	0.1	0.6	15.1	22.2	49,062.6	14.2	0.7	4.1
Abu Dhabi	2,592.6	0.2	1.2	1.2	7.9	33.2	77,640.5	9.0	1.0	4.8
Kuwait	5,850.1	-0.6	-1.0	-0.2	0.6	79.4	99,453.3	31.3	1.1	3.5
Oman	5,592.1	-0.0	0.6	2.0	-1.8	17.1	19,371.4	10.7	1.5	4.5
Bahrain	1,076.7	0.2	0.3	-0.9	-5.9	0.7	19,594.0	10.1	0.8	4.6

Global Indices Performance	Close	1D%	WTD%	YTD%
DJ Industrial	13,254.29	-0.4	-0.4	8.5
S&P 500	1,429.08	-0.6	-0.6	13.6
NASDAQ 100	3,104.02	-1.0	-1.0	19.1
DAX	7,213.70	0.0	0.0	22.3
FTSE 100	5,793.20	0.0	0.0	4.0
CAC 40	3,506.05	-0.4	-0.4	11.0

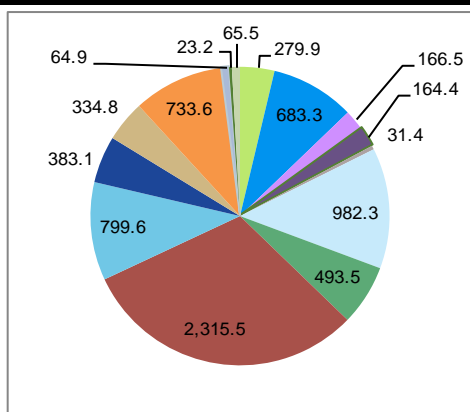
Source: Bloomberg, Data is as per last trading day

Asset/Currency Performance	Close	1D%	WTD%	YTD%
Gold(US\$)	1,726.25	-0.5	-0.5	10.4
Silver(US\$)	33.36	-1.0	-1.0	19.8
Crude Oil (Brent)(US\$)	114.64	0.5	0.5	5.5
Euro(US\$)	1.28	-0.5	-0.5	-1.6
USD Index	80.40	0.2	0.2	0.3
GBP(US\$)	1.60	-0.1	-0.1	2.9



## Tadawul Market Overview

### Sector Turnover



### Top Gainers

Company	Closing Price (SAR)	Change %	Volume (mn)
ACIG	48.6	10.0	4.0
AMANA Insurance	211.0	9.9	0.6
Al-Ahlia	61.5	9.8	5.4
SARCO	75.8	9.8	5.4
Kingdom	15.1	8.6	10.6

Source: Tadawul

### Top Losers

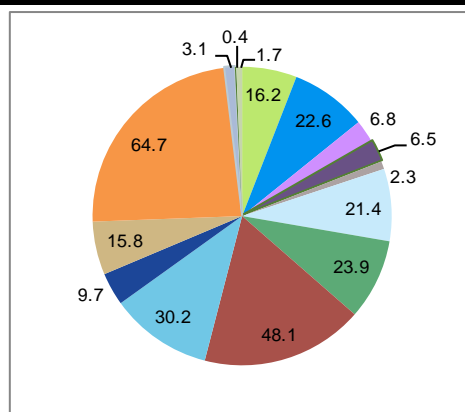
Company	Closing Price (SAR)	Change %	Volume (mn)
ACE	162.0	-10.0	0.3
Almutakamela	29.2	-6.7	7.9
Walaah Insurance	33.1	-4.1	2.9
AlAbdullatif	30.8	-4.1	0.6
Al Baha	21.9	-3.3	2.3

Source: Tadawul

### 52 Week New High / Low

Company	Closing Price (SAR)	New High	New Low
ACIG	48.6	48.6	-
Anaam Holding	85.5	96.0	-
AMANA Insurance	211	211.0	-
Kingdom	15.1	15.3	-
Al-Ahlia	61.5	61.5	-

### Sector Volume



### Volume Leaders

Company	Closing Price (SAR)	Change %	Volume (mn)
Dar Al Arkan	10.0	-2.0	42.0
Alinma	13.7	-0.4	14.0
Emaar E .C	10.0	-1.5	13.1
Kingdom	15.1	8.6	10.6
ZAIN KSA	12.2	-0.8	9.7

### Value Leaders

Company	Closing Price (SAR)	Change %	Value (mn)
Anaam Holding	85.5	-2.6	550.4
Dar Al Arkan	10.0	-2.0	423.7
SARCO	75.8	9.8	395.0
SABIC	90.5	-0.3	321.8
Al-Ahlia	61.5	9.8	316.0

### Stocks Consistently Gaining / Losing Over Last 3 Sessions

Company	Current Price (SAR)	3 Days Change %	3 Days Avg. Volume (mn)
Allied Cooperative Insurance Group	48.6	32.8	1.0
Amana Cooperative Insurance Co.	211.0	28.7	0.4
Al-Ahlia Cooperative Insurance	61.5	18.3	3.3
ENAYA	55.0	-6.8	3.0
Al-Baha Development & Investment Co.	21.9	-5.8	2.3

Source: Data pertaining to all the tables in this page are taken from Tadawul Stock Exchange, Official Website



## Tadawul Technical Watch

### Technical Outlook

TASI declined as the index stayed below its resistance level of 7,150, in line with our expectations. The index ended the session at 7,072 after testing its support of 7,050. The RSI is trending lower, while the MACD line is diverging away from the signal line on the downside. The next immediate resistance for the index is at 7,100. We expect TASI to consolidate at current level.

### Pivot Table

Symbol	R2	R1	PP	S1	S2
TASI	7,124.4	7,098.5	<b>7,073.4</b>	7,047.5	7,022.5

### Tadawul All Shares Index



### Stocks Closest to Resistance

Company	Closing Price (SAR)	R1	R2	PP
Saudi Electricity Co.	13.1	13.1	13.1	13.1
Riyad Bank	23.2	23.2	23.2	23.1
Arab National Bank	27.9	28.0	28.0	27.8
Herfy Food Services Co.	100.0	100.3	100.5	99.8
Tabuk Cement	24.9	25.0	25.0	24.9
Taiba Holding Co.	23.5	23.5	23.6	23.4
Saudi Paper Manufacturing Co.	33.3	33.4	33.5	33.3
Banque Saudi Fransi	32.0	32.1	32.2	31.9
Qassim Cement	76.8	77.0	77.3	76.8
Al Rajhi Bank	73.8	74.0	74.3	73.8

Source: Tadawul

### Stocks Closest to Support

Company	Closing Price (SAR)	S1	S2	PP
United Electronics Co.	91.0	90.8	90.7	91.2
Saudi Hollandi Bank	26.8	26.7	26.7	26.9
Saudi Basic Industries Corp	90.5	90.3	90.0	90.8
Saudi Cement	88.0	87.8	87.5	88.3
Makkah Construction and Development Co.	40.8	40.7	40.5	40.8
Saudi Chemical Co.	39.7	39.6	39.4	39.7
Bank Albilad	29.4	29.3	29.2	29.4
Saudi Kayan Petrochemical Co	14.2	14.1	14.1	14.2
National Shipping Co. of Saudi Arabia/The	18.0	17.9	17.8	18.0
Jarir Marketing Co.	156.0	155.4	154.8	156.1



## Tadawul Technical Watch

### Technical Outlook

As expected, SABIC declined as the stock failed to remain above SAR91.25. On hourly chart, the RSI is trending lower, while the MACD line is converging with the signal line on the downside. We expect SABIC to decline if the stock breaks below SAR90.25.

### SABIC

R2	R1	PP	S1	S2
91.5	91.0	<b>90.8</b>	90.3	90.0

### Saudi Basic Industries Corp.



### Technical Outlook

STC declined marginally and closed below its trend line support level. The RSI is making lower tops, while the MACD line is indicating consolidation. We expect STC to decline if the stock remains below SAR40.10.

### STC

R2	R1	PP	S1	S2
40.4	40.2	<b>40.0</b>	39.8	39.6

### Saudi Telecom Co.





## Tadawul Technical Watch

### Technical Outlook

As expected, Al Rajhi declined as the stock stayed below its resistance level of SAR74.25. On hourly chart, the RSI is indicating consolidation, while the MACD line has made a negative crossover. We expect Al Rajhi to decline if the stock stays below SAR74.25.

### Al Rajhi

R2	R1	PP	S1	S2
74.3	74.0	<b>73.8</b>	73.5	73.3

### Al Rajhi Bank



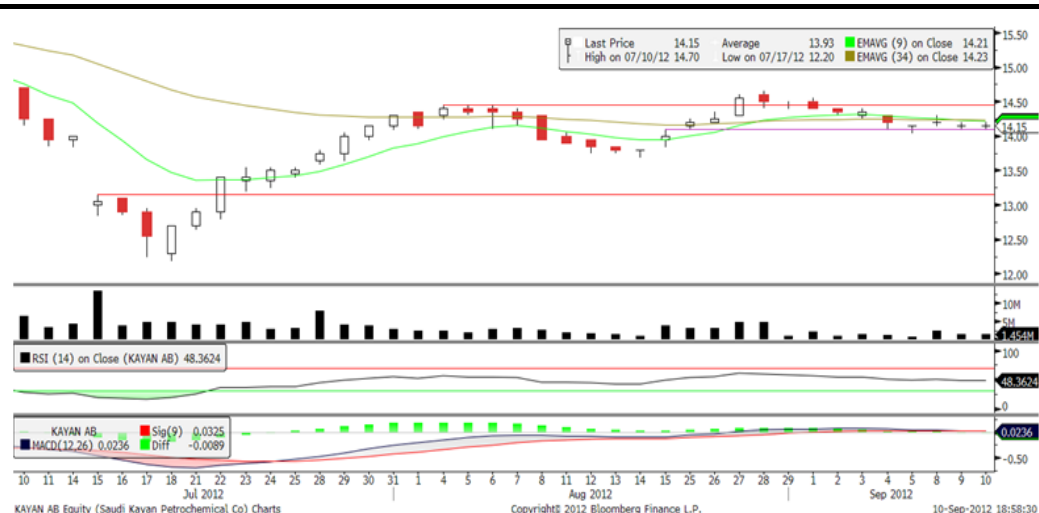
### Technical Outlook

Kayan continued to consolidate at current level as the stock stayed above its support level of SAR14.10. The 9 and 34 day EMA are acting as a resistance for the stock. The RSI is indicating weakness while the MACD line is indicating consolidation. We expect Kayan to decline if the stock moves below SAR14.10.

### KAYAN

R2	R1	PP	S1	S2
14.3	14.2	<b>14.2</b>	14.1	14.1

### Saudi Kayan Petrochemical Co.





## Tadawul Technical Watch

### Technical Outlook

MA'ADEN declined but the stock remained above its support level of SAR32.0. The RSI is trending lower, while the MACD line is diverging away from the signal line on the downside. We expect MA'ADEN to decline if the stock moves below SAR32.0.

### MA'ADEN

R2	R1	PP	S1	S2
32.9	32.6	<b>32.3</b>	32.0	31.7

### Saudi Arabian Mining Co.



## Major GCC Companies

### Technical Outlook

Emaar witnessed significant selling pressure but the stock was able to close above its support level of AED3.35. On hourly chart the RSI has entered into downward trend while the MACD line is converging with the signal line on the downside. We expect Emaar to decline further if the stock breaks below AED3.35.

### EMAAR – Dubai Financial Market

R2	R1	PP	S1	S2
3.43	3.39	<b>3.38</b>	3.34	3.33

### Emaar Properties





## GCC Technical Watch

### Technical Outlook

As expected, Arabtec declined as the stock failed to break its resistance level of AED2.80. However, the stock bounced back from its support level of AED2.75 to end the session at AED2.76. On hourly chart, the RSI and MACD are indicating weakness in the stock. We expect Arabtec to decline if the stock moves below AED2.75.

### ARTC

R2	R1	PP	S1	S2
2.81	2.78	<b>2.77</b>	2.74	2.73

#### Arabtec Holding Co.



### Technical Outlook

Dana Gas ended the session at its resistance level of AED0.39. The 34 day EMA is acting as a resistance for the stock. The RSI and MACD are indicating consolidation in the stock. We expect Dana Gas to continue to consolidate at current levels.

### DANA

R2	R1	PP	S1	S2
0.40	0.39	<b>0.39</b>	0.38	0.38

#### Dana Gas





## GCC Technical Watch

### Technical Outlook

Industries Qatar gained as the stock remained above its trend line support level of QR137.0. The stock has also closed above its 9 day EMA which was acting as a resistance for the stock. The RSI is pointing upwards, while the MACD line is indicating consolidation in the stock. We expect Industries Qatar to gain if the stays above QR137.0.

### IQCD

R2	R1	PP	S1	S2
139.0	138.7	<b>138.4</b>	138.1	137.8

### Industries Qatar



### Technical Outlook

Kuwait Finance continued to consolidate at current level as the stock failed to move above its resistance level of KD690.0. The 34 day EMA is also acting as a resistance for the stock. The RSI is making higher tops, while the MACD line is diverging away from the signal line on the upside. We expect Kuwait Finance to gain if the stock moves above its 34 day EMA.

### KFIN

R2	R1	PP	S1	S2
696.7	693.3	<b>686.7</b>	683.3	676.7

### Kuwait Finance House







## Definition - Technical Indicators

### Candlestick Patterns, Doji

Doji is a form of candlestick pattern. It normally suggests major up and down movements. Trading above the Doji is positive for the market. Trading below the Doji value indicates bearish momentum.

### Hammer

A small body (white or black) near the high with a long lower shadow with little or no upper shadow. This indicates a bullish pattern during a downtrend.

Inverse-black-hammer: A bottom reversal signal with confirmation the next trading day.

### Moving Average, SMA (Simple Moving Average)

Normally we use the 10, 20, 50 and 125 day SMA to identify the trend. A cross-over of the short-term moving average with the long-term moving average is positive for the market. The reverse is the case on the negative side.

### DEMA - Double-smoothed Exponential Moving Average

We use the 10, 20 and 40 DEMA to identify a trend. A cross-over of the 10 and 20 DEMA gives a positive indication. A cross-over of the 20 and 10 DEMA gives a negative indication. As long as a stock or index trades above the 40 DEMA, this gives a positive indication for the stock or index. Trading below the 40 DEMA may create downside for a short time.

### MACD - Moving Average Convergence and Divergence

The MACD has its own line period and another signal line; the dotted line indicates the signal line. When the MACD crosses the signal line from below and trades above it, it gives a positive indication. The reverse is the situation for a bearish trend.

### RSI - Relative Strength Index

When the RSI remains below 30, it indicates that a market or stock is in oversold territory. When the RSI is above 70, it indicates that the market/stock is in an overbought level.

### Price ROC

When the Price ROC is above zero it gives positive signals for an index or stock. When the price ROC is below zero, it gives a negative signal for the index or stock.

### Stochastic Oscillators

When Stochastic Oscillators are below zero, the stock is in an oversold zone and some bounce back is expected. When Stochastic Oscillators are above zero, the stock is in an overbought zone and some correction is expected.

### Williams' %R

When Williams' %R is above zero, the stock is in an overbought zone and some correction is expected. When Williams' %R is below zero, the stock is in an oversold zone and some bounce back is expected.

### CCI (Commodity Channel Index)

While the CCI was originally designed for commodities, the indicator also works very well with stocks and mutual funds.

There are two methods of interpreting the CCI:

1. Looking for divergences: A popular method of analyzing the CCI is to look for divergences in which the underlying security is making new highs while the CCI is failing to surpass its previous highs. This classic divergence is usually followed by a correction in the security's price.
2. As an overbought/oversold indicator: The CCI usually oscillates between +/-100. Readings outside these ranges imply an overbought/oversold condition.

### Fibonacci Retracements

Fibonacci Retracements are based on a trend line that we draw between a significant trough and peak. If the trend line is rising, the retracement lines will project downward; if the trend line is falling, the retracement lines will project upward. The number of Fibonacci Retracement levels appearing on the chart depends on the range of the y-axis. If we want to see all nine retracement levels, we may need to manually adjust the minimum and maximum values of the y-axis. Major Fibonacci Levels are 23.6%, 38.2%, 50%, 61.8% and 100%.

### Whipsaw

A whipsaw is a situation in which a share price heads in one direction, but then is followed quickly by a movement in the opposite direction. The origin of the term is the push and pull action used by lumberjacks to cut wood with a type of saw of the same name.

### Gravestone Doji

In a Japanese Candle Stick chart, this is a Doji candle where prices rallied but came back and closed at the level they started; the open and close are equal.

### **Inside Bar**

An inside bar is a bar, which is completely within the range of the preceding bar, i.e. it has a higher low and lower high than the bar immediately before it. An inside bar indicates a time of indecision or consolidation. On a smaller time frame, it will look like a triangle. Inside bars often occur at tops and bottoms, in continuation flags, and at key decision points like major support/resistance levels and consolidation breakouts.

### **Big Bar**

A big bar is a bar, which is bigger than the preceding bar, i.e. it has a lower low and higher high than the bar immediately before it. Normally, after, forming a big bar, for a coming few sessions, the stock may move in the range of the high and low of the big bar. Breaking out or breaking down will give a fresh bullish or bearish pattern.

### **Higher High**

This implies that today's intra-day high is higher than the intra-day high(s) of the previous session(s).

### **Lower High**

This implies that today's intra-day high is lower than the intra-day high(s) of the previous session(s).

### **Higher Low**

This implies that today's intra-day low is higher than the intra-day low(s) of the previous session(s).

### **Lower Low**

This implies that today's intra-day low is lower than the intra-day low(s) of the previous session(s).

### **Triangle**

This is a technical analysis pattern created by drawing trend lines along a price range that gets narrower over time because of lower tops and higher bottoms. Variations of a triangle include ascending and descending triangles. Technical analysts see a breakout of this triangular pattern as either bullish (on a breakout above the upper line) or bearish (on a breakout below the lower line).

### **Standard Error Channel**

Parallel lines drawn higher and lower from the Linear Regression Trend-line form **Standard Error Channels**. The distance at which they are traced is a certain number of standard errors over or above the linear regression trend-line. The characteristic of the price fluctuations is its movement from one extreme to another and it depends on the traders' common opinion. Prices trend up in the optimistic market whether a pessimistic one causes prices reduction. The prices are drawn to a certain equilibrium point existing for each issue. The location of such point can be found out by using the Linear Regression analysis whether Standard Error Channel analysis presents the data about the cyclic direction of the prices as well as the forecasts for possible trend changes.

### **Long Headed Doji Pattern**

This is a bullish signal, particularly when around price support levels.

### **Double Tops / Double Bottoms**

A double top is simply two peaks. After the second peak is formed a breakout through the base is a signal of a possible reversal of the trend in prices. In the case of a double bottom, two troughs form and an expectation follow for the possibility of a trend reversal if the market price rises through the base. Waiting for confirmation is important for trading double tops or double bottoms.

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## Contact us

**Dr. Saleh Alsuhaibani**  
**Head of Research**  
Tel : +966 1 2119434  
alsuhaibanis@alrajhi-capital.com

**Al Rajhi Capital**  
Research Department  
Head Office, King Fahad Road  
P.O. Box 5561, Riyadh 11432  
Kingdom of Saudi Arabia  
Email: research@alrajhi-capital.com

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