Global Technical Overview – **Saudi** Stock Market

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Technical Overview: Saudi Securities Market (Tadawul)

Saudi All Share Index <.TASI> closed at 6,401.06 point on May 19. A negative sentiment has been dominating investor's mode in the last few week. The long-term (50 weeks) moving average is getting re-enforced and the bears will need to move below it to call for a deeper retracement downwards and may target the strong support level at 6,000 point. However, to call for a temporarily end of the bearish move, the Index is required to cross over the resistance level at 6,675 point. Weekly and daily "RSI" indicators are currently pointing down.

Strategy: Medium-term (11 weeks) investors should re-enter the market when the Index sustains a close above 6,675 oint, while long-term investors should watch out for any close below 6,370 point to cash out.

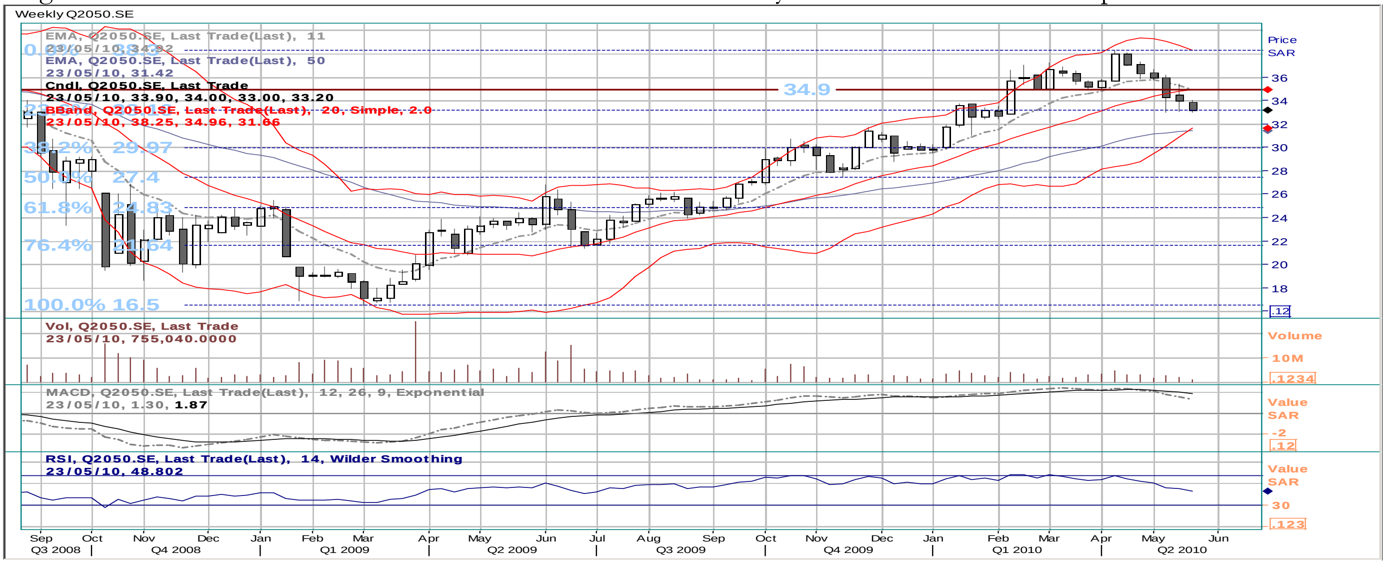
Large Cap. Companies (Top 10) in Saudi Securities Market (Tadawul)

Company Name	Reuter' RIC	Close (SR)	Weekly RSI	Support		Resistance		Strategy			Moving Average	
				1	2	1	2	Short	Medium	Long	11	50
Saudi Basic Industries Corporation	2010.SE	92.25	50.347	84.50	78.00	95.50	98.50	Bearish	Bearish	Bullish	97.75	86.75
Al Rajhi Banking & Investment Corporation	1120.SE	79.25	52.303	77.75	75.50	81.00	84.50	Bearish	Bearish	Bullish	81.00	75.50
Saudi Telecom Co.	7010.SE	39.60	30.335	38.10	36.70	43.20	46.00	Neutral	Bearish	Bearish	42.70	46.20
Saudi Electricity	5110.SE	10.90	40.947	10.90	10.65	11.15	11.50	Bearish	Bearish	Bearish	11.40	11.15
SAMBA Financial Group	1090.SE	58.00	52.111	56.00	52.25	60.00	62.00	Neutral	Bearish	Bullish	59.15	56.00
Riyad Bank	1010.SE	28.70	51.784	28.00	26.00	29.50	30.60	Neutral	Bearish	Bullish	29.10	27.75
The Saudi British Bank	1060.SE	45.20	41.804	44.50	43.00	47.80	49.40	Bearish	Bearish	Bearish	47.00	48.40
Saudi Arabia Fertilizers Co.	2020.SE	128.00	41.993	118.75	112.25	135.00	140.00	Bearish	Bearish	Bearish	136.75	129.60
Rabigh Refining and Petrochemical Co	2380.SE	29.70	35.392	26.50	24.40	30.70	33.50	Bearish	Bearish	Bearish	33.10	33.90
Banque Saudi Fransi	1050.SE	46.40	55.176	43.60	40.00	48.50	50.25	Neutral	Neutral	Bullish	46.35	44.75

Technical Overview: Savola Group <2050.SE> – Saudi Arabia

Savola's stock price closed at SR33.30. The price met its initial downside target at SR33.00 (slightly below its 23.6% level of the Fibonacci retracements from SR16.50 – SR38.30, which is located at SR33.15). The correction phase is likely to continue, while loosing the 23.6% level will accelerate the downward movement targeting SR31.40, also found there the long-term (50 weeks) moving average and the base of Bollinger band, before SR30.00 (38.2%). However, the resistance level at SR34.90 will be a key point that bulls need to regain to prevent a test of lower prices. Weekly and daily "RSI" indicators are currently bearish.

Strategy: Medium-term (11 weeks) investors should purchase the stock only above SR34.90 (2nd Bollinger band), while long-term investors who would like to hold should watch out for any close below SR31.40 to stop loss.



Technical Overview: Saudi Fisheries Co. <6050.SE> – Saudi Arabia

Saudi Fisheries' stock price closed at SR43.90. The price has fallen and will probably find more room to slip further as bearish pressure remains towards SR42.55 – SR42.30, (also found there the 50% level of the Fibonacci retracements from 14.85 – SR70.25 and the low of September 2009), and even more to SR36.00 (61.8%). Looking at the weekly chart below, we can see many aspects supporting the bearish outlook, negative cross of the medium-term (11 weeks) moving average below the long-term (50 weeks) one and the close below all bands of Bollinger, in addition to a low trading volume and negative weekly and daily "RSI" indicators.

Strategy: Medium-term and long-term investors can buy only above SR49.00 and SR51.00 respectively.