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Technical Overview: Saudi Securities Market (Tadawul)

Saudi All Share Index <TASI> closed at 6,465.69 point on February 24. The Index continued to close above both the medium-term (11 weeks) moving average and 2nd Bollinger band, which are located at around 6,300 point. We still expect a bullish breakout above the high of October 2009 at 6,579 point, which if broken, would seal a constructive outlook and open the road for 6,980 point (38.2% of the Fibonacci retracement from 11,697 point-4,068 point). Room for downward movement is possible since the daily “RSI” is inching down but seen limited, and only below the 6,140 point will alter the bullish move. However, weekly “RSI” is neutral.

Strategy: Medium-term and long-term (50 weeks) investors can hold with a stop-loss below 6,300 point and 6,140 point respectively.



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	88.50	64.101	86.75	82.75	91.75	99.25	Bullish	Bullish	Bullish	86.20	79.00
Al Rajhi Banking & Investment Corporation	1120.SE	77.00	59.375	73.00	70.50	80.00	83.50	Bearish	Bullish	Bullish	74.90	71.70
Saudi Telecom Co.	7010.SE	44.10	41.287	43.20	41.10	44.30	46.30	Bullish	Neutral	Bearish	44.50	47.80
Saudi Electricity	5110.SE	12.20	76.783	11.75	11.50	12.50	13.00	Bullish	Bullish	Bullish	11.70	10.80
SAMBA Financial Group	1090.SE	58.75	61.649	56.00	53.00	59.50	61.50	Bullish	Bullish	Bullish	55.20	53.50
Riyad Bank	1010.SE	28.20	56.248	26.40	25.00	30.30	31.30	Bullish	Bullish	Bullish	27.80	26.70
The Saudi British Bank	1060.SE	49.90	53.878	46.00	43.60	53.00	56.25	Bearish	Neutral	Neutral	48.40	49.10
Saudi Arabia Fertilizers Co.	2020.SE	141.00	75.416	134.50	129.00	143.00	148.00	Neutral	Bullish	Bullish	130.00	123.10
Rabigh Refining and Petrochemical Co	2380.SE	33.00	46.606	28.90	26.50	35.80	39.50	Neutral	Neutral	Neutral	33.90	33.90
Banque Saudi Fransi	1050.SE	48.00	63.773	46.00	43.50	50.25	54.00	Bearish	Bullish	Bullish	43.50	43.50

Disclaimer:

This Technical Analysis is not an invitation to buy or sell, as it is “Global’s” opinion and speculation of future movement of the stock. Also it is not considered a sufficient material to rely on when taking financial and investment decisions. Investors should study the financial statement before taking any investment decision.

Technical Overview: Saudi Pharmaceutical Ind. & Med. Appliances <2070.SE> – Saudi Arabia

Saudi Pharmaceutical's stock price is set to rise after it managed to cross and close above both moving average, medium-term (11 weeks) and long-term (50 weeks), but key resistance around SR35.00 (high of June 2009 and 3rd Bollinger band resides near there) must be broken upwards before there is another significant move higher. Increasing volume has been witnessed coupled with a bullish "RSI" indicator, in addition to a positive MACD. However, the price still has the capacity to find some support at SR29.50 – SR30.00 but it needs to maintain a close above SR31.30. Weekly "RSI" indicator is bullish, where the daily one is looking more towards the bears, so the price might witness a brief correction downward before resuming the bulls move once again.

Strategy: Medium-term and long-term investors can hold with a stop-loss below SR31.30.



Technical Overview: Malath Coop. Insurance & Reinsurance Co. <8020.SE> – Saudi Arabia

Malath Insurance's stock price continues to remain under pressure and still finds it difficult to pull away from September's low at SR23.70. However a fall through that level could trigger a slide towards March's low at SR19.35, while a break above the resistance area at SR25.70 – SR26.00 is required to initiate the first positive sign and will in turn push for a much higher ground. Managing to do this will alter the medium-term (11 weeks) investor's sentiment and will promote October and November's highs at around SR32.70. "RSI" Indicator is neutral.

Strategy: Stay aside at the moment. Medium-term and long-term (50 weeks) investors can only buy above SR23.70 and SR31.80, respectively.



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