

Monthly Technical Report

January 2026



This report is intended to present a general view for the market. This report does not take into consideration the specific financial position of every investor and/or his/her risk appetite in relation to investing in the security or any other assets, and hence, no information in this analysis should be considered as being business, financial and legal advice.

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KSA Equity Market Analysis

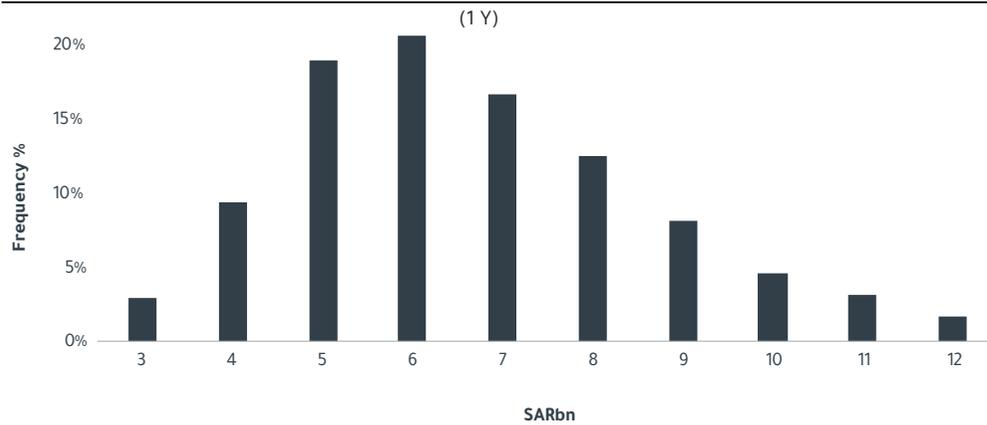


Tadawul Index (Weekly): The index bounced off the lower boundary of a potential Symmetrical Triangle pattern to retest the 20-week SMA near 10,975, which, if penetrated, would suggest an upside target near the upper boundary around 11,780. Meanwhile, the RSI indicator bounced off a rising trendline after showing a positive divergence. Otherwise, a weekly close below the prior bottom around 10,365 could indicate the weakness of the index and pave the way for a possible further decline toward the level of around 9,930.



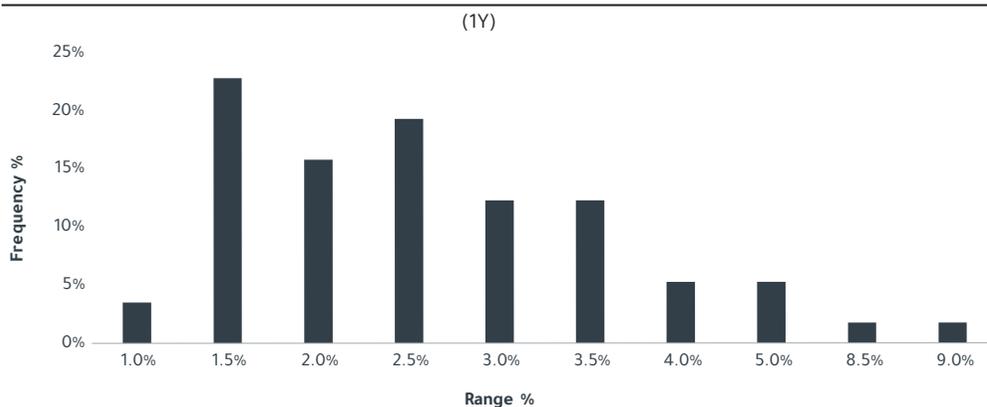
Source: Tradingview.com, Aljazira Capital Research

Daily Turnover



During the last 12 months, TASI recorded daily turnovers between SAR 4 - 7bn nearly two-thirds of the time, with the highest frequency of around SAR 6bn.

Weekly Range %



During the last 12 months, TASI recorded a weekly movement range between 1.5 - 2.5% more than half of the time, with the highest frequency of around 1.5%.

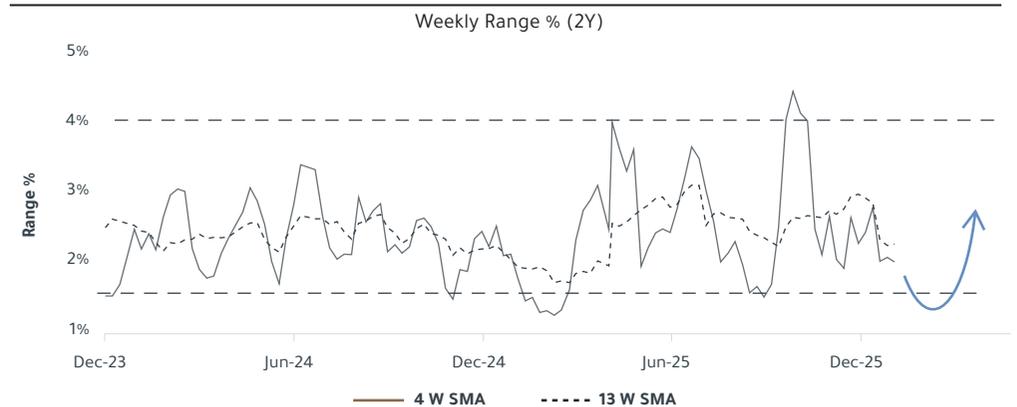
Source: Argaam, Aljazira Capital Research

Liquidity Trend (2Y)



The trend of the liquidity of the index is heading to test the lower boundary of a declining channel around 3.0bn, where a possible positive reversal toward the upper boundary around 6.0bn may occur.

Volatility Trend



The trend of the volatility approaches the lower boundary of the sideways trend near 1.50%, where a possible reversal toward the upper boundary near 4.00% may occur.

Banks Sector (Weekly): The index bounced off a rising trendline near the 78.6% Fibonacci level around 11,965, heading to retest the resistance level near 13,200, which, if penetrated, would suggest an upside target near 13,915. Moreover, the RSI indicator bounced off a rising trendline. On the flip side, a decisive weekly close below the 20-week SMA near 12,540 could pave the way for a possible further decline toward the support of around 11,965.

Materials Sector (Weekly): The index bounced off a rising trendline near the support of 4,945 to penetrate the 20-week SMA near 5,270, suggesting a potential further advance toward the target zone of 5,690 - 5,750. Moreover, the RSI indicator penetrated the level of 50, indicating a positive momentum. On the flip side, a weekly close below the 20-week SMA around 5,270 would pave the way for a possible further decline toward the support of around 4,945.



Source: Tradingview.com, Aljazeera Capital Research

Energy Sector (Weekly): The index bounced off the support of the 78.6% Fibonacci level near 4,500 to penetrate the 20-week SMA near 4,690, suggesting a potential further rise toward an upside target near 4,985. Moreover, the RSI indicator penetrated the level of 50, indicating a positive momentum. Otherwise, a weekly close below the level of around 4,500 could pave the way for a further decline toward the prior bottom near 4,370.

Telecommunication Services Sector (Weekly): The index bounced off the support zone near 8,480 to penetrate the 20-week SMA near 8,810, suggesting a potential upside rise to test the resistance zone of prior peaks near 9,245 - 9,355. Additionally, penetrating it could suggest an additional upside target near 9,735. Moreover, the RSI indicator is hovering above the level of 50. Otherwise, a weekly close below 8,480 could pave the way for a further decline toward the prior bottom near 8,270.



Source: Tradingview.com, Aljazeera Capital Research

Insurance Sector (Weekly): The index tests the lower boundary of a potential Wedge pattern near the 161.8% Fibonacci level near 7,195, where a potential positive reversal toward the upper boundary near 8,075 - 8,190 may occur. Meanwhile, the RSI indicator started to bounce off the level of the prior bottoms. Otherwise, a weekly close below the level of around 7,195 could pave the way for a possible further decline toward the level of around 6,755.

Utilities Sector (Weekly): The index is testing the significant support near the 127.2 - 161.8% Fibonacci levels around 7,050 - 6,400, where a potential positive reversal toward the 20-week SMA near 7,690 may occur. Additionally, the decisive penetration above it could suggest another target near 9,440. Moreover, the RSI indicator is showing a positive divergence. Otherwise, a weekly close below the level of 6,400 could pave the way for a possible further decline toward the level of 5,685.



Source: Tradingview.com, Aljazeera Capital Research

Global Broad Markets Analysis



S&P500 (Weekly): The index is testing the significant resistance of the 161.8% level near 6,960, where a possible profit-booking attitude toward the 20-week SMA near 6,750, followed by the support of the prior troughs near 6,550, may occur. Moreover, the RSI indicator is showing a negative divergence near the overbought zone near the level of 70. Otherwise, a decisive weekly close above 6,970 could pave the way for a possible further rise toward the 200% Fibonacci level near 7,460.



Source: Tradingview.com, Aljazeera Capital Research

Brent (Weekly): The price started to penetrate the upper boundary of a declining channel as well as the 20-week SMA near the resistance zone of USD 63.70 - 64.10, suggesting a potential upside target near the zone of 69.90 - 72.75. Moreover, the RSI indicator penetrated a declining trendline after showing a positive divergence. On the flip side, a decisive weekly close below the support of around USD 58.50 could pave the way for a possible further decline toward USD 52.25.



Source: Tradingview.com, Aljazeera Capital Research

Natural Gas (Weekly): The price breached the 20-week SMA near USD 3.75, heading to retest the lower boundary of a rising channel near USD 2.89, where a possible positive reversal toward the 20-week SMA near USD 3.75 may occur. Moreover, the RSI indicator is approaching a retest of a rising trendline. On the flip side, a decisive weekly close below the level of USD 2.89 could pave the way for a possible further decline toward the level of around USD 2.60, followed by USD 2.21.



Source: Tradingview.com, Aljazira Capital Research

Gold (Weekly): The price penetrated the significant resistance of the 127.2% Fibonacci level around USD 4,535, suggesting a possible further rise toward the 161.8% Fibonacci level near USD 4,705, followed by the level of USD 4,895. Moreover, the RSI indicator is still showing a negative divergence within the overbought zone above the level of 70. Otherwise, a decisive weekly close below the 10-week SMA around USD 4,335 could pave the way for a possible further decline toward the 20-week SMA around USD 4,124.



Source: Tradingview.com, Aljazeera Capital Research

U.S. Dollar Index (Weekly): The index bounced off a rising trendline to penetrate the 10-and 20-week SMAs, suggesting a possible further rise to test the level of the prior peak near 100.20. Additionally, penetrating it could suggest a possible additional upside target near 102.00 - 102.65. Meanwhile, the RSI indicator continued hovering around the level of 50. On the flip side, a weekly close below the support of 98.10 could pave the way for a possible further decline toward the previous bottom near 96.35.

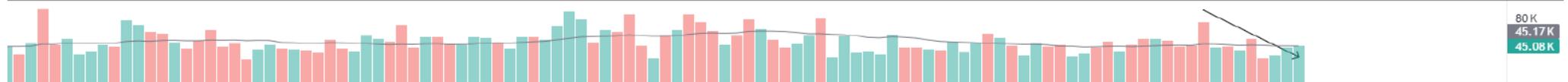


Source: Tradingview.com, Aljazira Capital Research

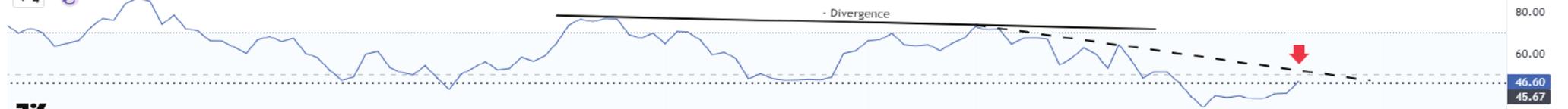
Bitcoin (Weekly): The price is experiencing a temporary positive rebound to test the previously breached lower boundary of a rising channel near USD 101,500, where a possible profit-booking attitude toward the prior trough near USD 84,500, followed by the level of USD 74,500 may occur. Meanwhile, the RSI indicator approaches a test of a declining trendline below the level of 50. On the flip side, a weekly close above the level of around USD 101,500 could pave the way for a possible further rise toward the level of USD 116,500.

BTC1! · Bitcoin CME Futures · 1W · CME D O90,720 H98,200 L90,180 C95,665 +5,260 (+5.82%)

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2024 Mar May Jul Sep Nov 2025 Mar May Jul Sep Nov 2026 Mar May

Source: Tradingview.com, Aljazira Capital Research

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Candlestick: A candlestick (candle) is a type of price chart used to display the high, low, opening, and closing prices of a security for the period under consideration. The candlestick's wide part is known as the 'real body' and shows opening and closing levels of the security for the period. The shadows of the candlestick show the high and low prices for the period. The shape of the candlestick varies based on the relationship between the high, low, opening, and closing prices.

Bullish candle: This is a candle whose closing value is higher than the opening value (usually green in color).

Bearish candle: This is a candle whose closing value is lesser than the opening value (usually red in color).

Support: This is the price level at which demand is strong enough to avoid any further price decline.

Resistance: This is the price level at which supply is strong enough to stop any further price increase.

Pattern/formation: This is a plot of a security's price activity over a certain period that can be used to identify potential trends, reversal of trends, price targets, entry and exit points, etc. There are various formations - such as head & shoulders, triangles, flags, etc.

Simple moving average: A simple moving average is formed by computing the average price of a security over a specific number of periods. Moving averages are based on closing prices; for example, a 5-day simple moving average is the five-day sum of closing prices divided by five.

Exponential moving averages (EMA): Exponential moving averages reduce the lag by applying more weight to recent prices. The weights applied to the most recent price depend on the number of periods in the moving average.

Relative strength index (RSI): RSI is a momentum indicator that compares a security's price gains to its losses for a predetermined number of periods (generally, 14 periods are used). The RSI attempts to point out how security, in relative terms, is in the overbought/oversold zone. Securities with a RSI above 70 could be considered "overbought" and those below 30 could be considered "oversold"

Moving average convergence/divergence (MACD): MACD is a trading indicator that shows changes in the strength, direction, momentum, and duration of a trend in a stock's price through a collection of three-time series calculated from historical closing prices.

Fibonacci retracements: These are horizontal lines that indicate the expected areas of support/resistance for a security based on a predetermined price movement. These are usually indicated by Fibonacci ratios of 23.6%, 38.2%, 50.0%, 61.8%, and 100% from that movement.

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