

Daily Market Insights

Thursday, February 06, 2025

Defining the Gradient



Market Brief

Marginal follow through over Tuesday's sharp recovery, index levels nonetheless maintained close above 12,390. TASI is still consolidating its break above this level and as mentioned before, follow through close above 12,478 signals progression above 12,390.

Continue to define risk on close below 12,330 while keeping range from 12,330-12,390 as a congestion for support. Tracking the trend inclination from 11,843 we arrive at a short-term rising channel. The support line of this channel comes around 12,370 for today and is rising at an approximate rate of 20 points/day.

Outlook

Maintain a supportive stance looking to test resistance levels around 12,433-12,443. Support levels come around 12,390 and 12,370.

MARKET SUMMARY

Close	12,414.40
Intraday High/Low	12,452 / 12,404
Change (points)	-19.53
Change (%)	-0.16%
52 Week High/Low	12,883 / 11,318
1 Year Index Change (%)	3.2%
Volume (mn)	315.6
Value (SR mn)	7,014.7

INTRADAY INDEX LEVELS

Resistance 3	12,536
Resistance 2	12,472
Resistance 1	12,443
Pivot	12,423
Support 1	12,394
Support 2	12,370
Support 3	12,330

INDICATORS

RSI (14 Days)	65.96
55-dema	12,166
90-dema	12,107
200-dema	12,021

INTRADAY TRADING IDEAS												DAILY EMA's		
Name	Price	Rec.	Entry Range	TP1	TP2	SL	S1	S2	R1	R2	RSI	21	55	90
ZAMIL INDUSTRIAL	35.20	B	35.20-34.78	35.82	36.43	34.30	34.78	34.17	35.82	36.43	53.13	34.86	33.29	31.64
MESC	44.30	B	44.30-44.10	45.10	45.90	43.80	43.65	42.85	45.10	45.90	50.67	44.53	42.76	41.29
ATAA EDUCATIONAL	76.40	B	76.33-76.15	77.00	77.50	75.70	75.77	75.20	76.97	77.53	61.68	74.40	74.00	74.00

TP: Target Price, SL: Stop Loss

TOP 10 VOLUME LEADERS									
Name	Code	Last Price	Support 3	Support 2	Support 1	Pivot	Resistance 1	Resistance 2	Resistance 3
AMERICANA	6015	2.59	2.28	2.38	2.48	2.58	2.68	2.78	2.88
ALBAHA	4130	0.45	0.42	0.43	0.44	0.45	0.45	0.46	0.47
ALINMA	1150	30.65	29.08	29.42	30.03	30.37	30.98	31.32	31.93
ANAAM HOLDING	4061	1.27	1.23	1.24	1.26	1.26	1.28	1.29	1.30
EIC	1303	7.26	6.87	6.97	7.11	7.21	7.35	7.45	7.59
TECO	4170	0.92	0.90	0.91	0.92	0.92	0.93	0.94	0.95
SNB	1180	34.50	34.10	34.20	34.35	34.45	34.60	34.70	34.85
SAUDI ARAMCO	2222	27.70	27.53	27.57	27.63	27.67	27.73	27.77	27.83
BJAZ	1020	18.80	17.72	18.00	18.40	18.68	19.08	19.36	19.76
STC	7010	43.90	43.22	43.53	43.72	44.03	44.22	44.53	44.72



Stock of the Day

SAUDI GROUND SERVICES CO. (4031)

SR 56.00



Stock Brief

After the trend-line break in early January the stock was consolidating this breakout not just by holding above the trend-line but also above the shorter averages of 55 and 90-dema's. Yesterday's bar surged to build on this breakout.

The primary target for this development is to retest the Apr. '24 peak at 60.00. Further upside above 60.00 would head towards 62.00-66.00. Short-term risk is defined below 51.50.

Strategy

Buy from current levels up to 54.50. Target 60.00 to sell as a primary level. Define immediate stops on break below 52.80 and further below 51.50.

STOCK SUMMARY

52 Week High/Low	60.00 - 40.30
1 Year Price Change (%)	35.10%
Volume (000)	3,214
3M ADTV (SR mn)	26,097
Bloomberg	SGS AB
Reuters	4031.SE

KEY PRICE LEVELS

Resistance 3	60.00
Resistance 2	59.70
Resistance 1	57.70
Support 1	54.50
Support 2	52.80
Support 3	51.50

INDICATORS

RSI (14 Days)	67.34
55-dema	52.30
90-dema	51.80
200-dema	50.00

Contact Details:

Research Department
research@anbcapital.com.sa
+966 11 4062500

GLOSSARY OF TERMS

Support: Support is the level at which the stock is likely to see increased interest from buyers. The buying support will prevent the stock from falling further.

Resistance: Resistance is the level at which the stock is likely to see increased interest from sellers. The selling pressure will prevent the stock from rising further.

RSI: The Relative Strength Index (RSI) is a momentum oscillator that ranges from 0 to 100. It compares the extent of the stock's recent price movements by evaluating recent gains and losses. Stocks with RSI above 70 could be considered overbought, and below 30 could be considered oversold. Generally, if the RSI falls below 70, it is a bearish signal. Conversely, if the RSI of a stock rises above 30 it is considered bullish. The RSI used is of 14 days.

Bollinger Bands: A Bollinger Band, developed by famous technical trader John Bollinger, is plotted two standard deviations away from a simple moving average. BB is a highly popular technical analysis technique. Many traders believe the closer the prices move to the upper band, the more overbought the market, and the closer the prices move to the lower band, the more oversold the market.

MACD: MACD shows the relationship between a longer period moving average and a short period moving average of a stock's price. Generally, the 26-day exponential moving average (EMA) and the 12-day EMA are used to calculate MACD.

EMA: Exponential moving average (EMA) is the weighted average of the prices of a given security where higher weights are given to recent data points. EMA is used to analyze the trend of a stock.

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