

Daily Market Insights

Thursday, January 16, 2025

Parity of Price & Momentum



Market Brief

From a declining trend-line breakout we are now shifting our focus towards a horizontal phase of direction that has been in motion since June '24. To reiterate, this sideways trend oscillates within a band between 11,500 to 12,390. Thus, TASI now faces a critical congestion zone from 12,200-12,390.

Besides index level peaks, another key feature of this phase has been the peak levels of momentum on the RSI. The indicator also has its respective highs that are restricted at or below the 70-mark level. All index peaks within 12,200-12,390 have identical peaks on the indicator. Therefore, any developments on the RSI to build above 70 even if the index remains below 12,390, can be seen as a leading sign of a broader buildup.

Outlook

Continue with a positive move targeting resistance levels at 12,234 & 12,254. Supports come around 12,170 & 12,120.

MARKET SUMMARY

Close	12,212.24
Intraday High/Low	12,223 / 12,169
Change (points)	39.49
Change (%)	0.32%
52 Week High/Low	12,883 / 11,318
1 Year Index Change (%)	0.7%
Volume (mn)	331.3
Value (SR mn)	7,176

INTRADAY INDEX LEVELS

Resistance 3	12,329
Resistance 2	12,254
Resistance 1	12,234
Pivot	12,201
Support 1	12,180
Support 2	12,159
Support 3	12,120

INDICATORS

RSI (14 Days)	65.35
55-dema	12,006
90-dema	11,997
200-dema	11,962

INTRADAY TRADING IDEAS

Name	Price	Rec.	Entry Range	TP1	TP2	SL	S1	S2	R1	R2	RSI	DAILY EMA's		
												21	55	90
SAUDI AWWAL BANK	35.35	B	35.08-34.88	35.82	36.00	34.65	34.88	34.42	35.82	36.28	71.28	33.34	33.23	33.73
EXTRA	96.90	B	96.90-96.50	97.53	97.90	95.73	96.37	95.73	97.53	98.17	58.82	94.70	95.40	95.50
MOUWASAT	91.00	B	90.50-90.23	92.00	93.00	89.90	90.23	89.07	92.17	93.33	59.59	87.80	90.50	94.10

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	2.45	2.27	2.32	2.39	2.44	2.51	2.56	2.63
ALBAHA	4130	0.44	0.41	0.42	0.43	0.45	0.45	0.47	0.48
ANAAM HOLDING	4061	1.27	1.24	1.25	1.26	1.28	1.28	1.30	1.31
TECO	4170	0.94	0.92	0.93	0.94	0.94	0.95	0.96	0.97
NICE ONE	4193	59.70	52.70	54.10	56.90	58.30	61.10	62.50	65.30
BATIC	4110	3.97	3.79	3.88	3.92	4.01	4.05	4.14	4.18
ALINMA	1150	29.60	28.98	29.27	29.43	29.72	29.88	30.17	30.33
SNB	1180	34.45	32.70	33.05	33.75	34.10	34.80	35.15	35.85
FITAIHI GROUP	4180	4.66	4.50	4.57	4.62	4.69	4.74	4.81	4.86
SAUDI ARAMCO	2222	28.10	27.93	27.97	28.03	28.07	28.13	28.17	28.23

Stock of the Day

AL HAMMADI HOLDING (4007)

SR 41.70

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TradingView

Stock Brief

From a peak at 71.80 (Feb. '24) the stock unfolded a bear spell to recently bottom out at 37.90 (Dec. '24). This low was a retest of the Dec. '22 low at 37.30 from where the swing developed for 71.80. With 37.30 as a key support and risk level to protect, the stock is making a recovery.

The first phase of recovery was to overcome the shorter averages of 55 & 90-dema's – a task that has just taken place. The next upside is to target the 200-dema while the third phase of any cyclical upswing is above the 200-dema. Currently, the stock is developing potential towards an upside target around 45.00-45.90. Support on any pullbacks is now seen around 40.00-41.00.

Strategy

Buy around current levels and up to 41.00. Sell into an upside target of 45.00. Risk is on close below 38.70.

STOCK SUMMARY

52 Week High/Low	71.80 – 37.90
1 Year Price Change (%)	-32.20%
Volume (000)	1,011
3M ADTV (SR mn)	39,721
Bloomberg	ALHAMMAD AB
Reuters	4007.SE

KEY PRICE LEVELS

Resistance 3	45.00
Resistance 2	44.35
Resistance 1	42.70
Support 1	41.00
Support 2	40.00
Support 3	38.70

INDICATORS

RSI (14 Days)	66.38
55-dema	40.25
90-dema	41.28
200-dema	44.98

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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.

SMA: A simple moving average (SMA) is the average of the closing price of a security for a given period.

The parabolic SAR: is a technical indicator used to determine the price direction of an asset, as well as draw attention to when the price direction is changing.

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