

June 2025

# Monthly Technical Report

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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.





# KSA EQUITY MARKET ANALYSIS

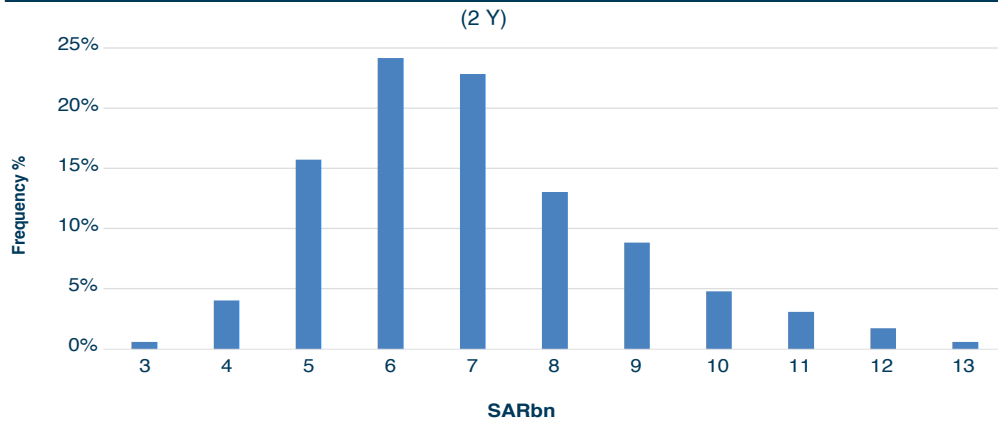


**Tadawul Index (Weekly):** The index breached the 127.2% Fibonacci level near 11,150, suggesting a potential further decline to test support of the 161.8% -200% Fibonacci level near 10,770-10,350 points. Meanwhile, the RSI indicator has simultaneously breached a rising trendline, indicating a weakening momentum. Otherwise, a decisive penetration above the resistance of 11,150 could pave the way for a possible further rise toward the zone of the 10-week SMA and 200-week EMA near 11,530 – 11,680.



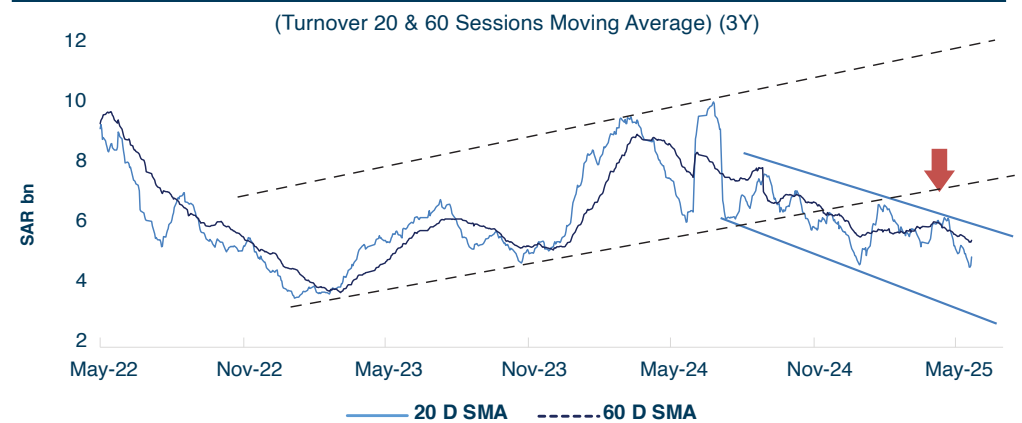
Source: Tradingview.com, Aljazira Capital Research

Daily Turnover



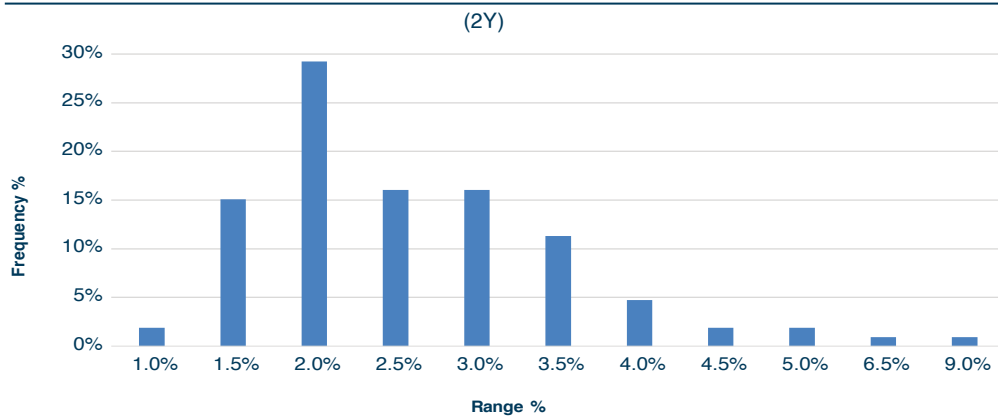
During the prior two years, TASI recorded daily turnovers between SAR 5 – 7bn nearly two-thirds of the time, with the highest frequency of SAR 6bn.

Liquidity Trend (3Y)



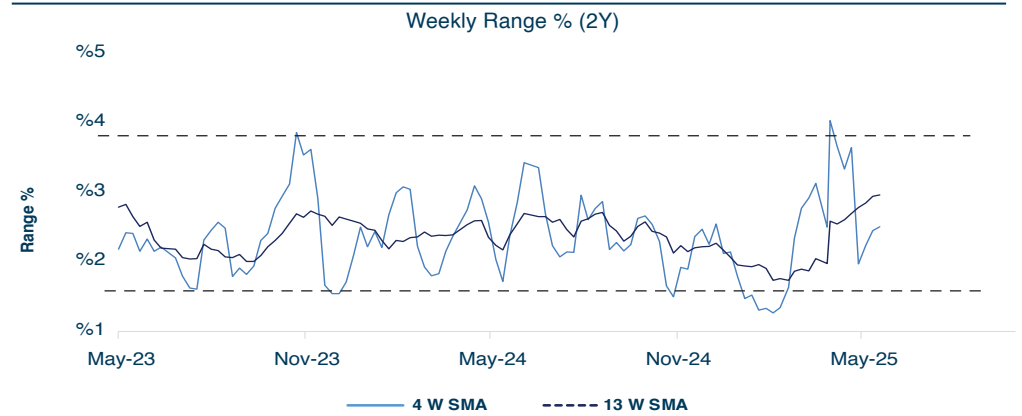
The trend of the liquidity of the index tested the upper boundary of a declining channel near 6.0bn and started to decline, indicating a potential further decline toward the lower boundary near 4.0bn.

Weekly Range %



During the prior two years, TASI recorded a weekly movement range between 1.5 – 2.5% nearly two-thirds of the time, with the highest frequency of 2.0%.

Volatility Trend



The trend of the volatility reversed after testing the level of the previous peak near 4.00%, indicating a potential decline to retest the zone around 1.50%.

Source: Argaam, Aljazira Capital Research

**Banks Sector (Weekly):** The index breached a rising trendline, suggesting a potential decline toward the prior trough near 11,660, followed by the support zone of 11,100 – 10,980. Moreover, the RSI indicator has simultaneously breached a rising trendline as well as the 50-level. On the flip side, a weekly close above the 20-week SMA around 12,665 would pave the way for a further rise toward the resistance zone of the prior peak near 13,050 – 13,200.



**Materials Sector (Weekly):** The index experiences a profit-booking attitude, suggesting a potential retest of the 200% Fibonacci level around 4,845, which, if breached, would suggest a possible further decline toward the 261.8% near 4,500. Moreover, the RSI indicator is still moving downward within a declining channel. On the flip side, a weekly close above the level of the 20-week SMA near 5,270 would pave the way for a further rise toward the 100-week EMA near 5,800.



Source: Tradingview.com, Aljazira Capital Research

**Energy Sector (Weekly):** The index is still experiencing a profit-booking attitude after breaching the level of the previous bottoms near 5,075, suggesting a retest of the 200% Fibonacci level near 4,660. Nevertheless, breaching this level would suggest a possible further decline toward the 261.8% Fibonacci level near 4,400. Moreover, the RSI indicator is heading to retest a rising trendline. Otherwise, a weekly close above 5,075 could pave the way for a further rise toward the previous peak near around 5,475.

**Telecommunication Services Sector (Weekly):** The index is currently testing the upper boundary of a Symmetrical Triangle pattern near the 50% Fibonacci level near 8,235 where buying attitudes may reemerge. Nevertheless, a subsequent bullish candlestick is required to suggest a possible further rise toward the zone of 10 & 20-week SMAs near 8,700 - 8,800. Meanwhile, the RSI indicator the level of a prior trough near the 50 level. Otherwise, a weekly close below 8,235 would indicate a possible further decline toward the 61.8% level around 7,970.



Source: Tradingview.com, Aljazira Capital Research

**Insurance Sector (Weekly):** The index is currently testing the support zone of the 127.2% Fibonacci level and the lower boundary of a declining channel near 8,935 - 8,730, where buying attitudes may reemerge. Nevertheless, a subsequent bullish weekly candlestick is required to suggest a possible further rise toward the resistance zone of 9,450 – 9,800. Meanwhile, the RSI indicator continued to decline heading toward the 30 level. Otherwise, a weekly close below 8,730 could pave the way for a possible further decline toward the 161.8% Fibonacci level near 8,280.

**Utilities Sector (Weekly):** The index breached the 200-week EMA, heading to test the support zone of the 161.8% Fibonacci near 8,870, which if breached, would suggest a potential further decline toward the 200% level near 7,050. Moreover, the RSI indicator is still moving within a downward trajectory. Otherwise, a weekly close above the 10-week SMA near 10,910 would pave the way for a possible further rise toward the resistance of the previous bottom around 11,840.



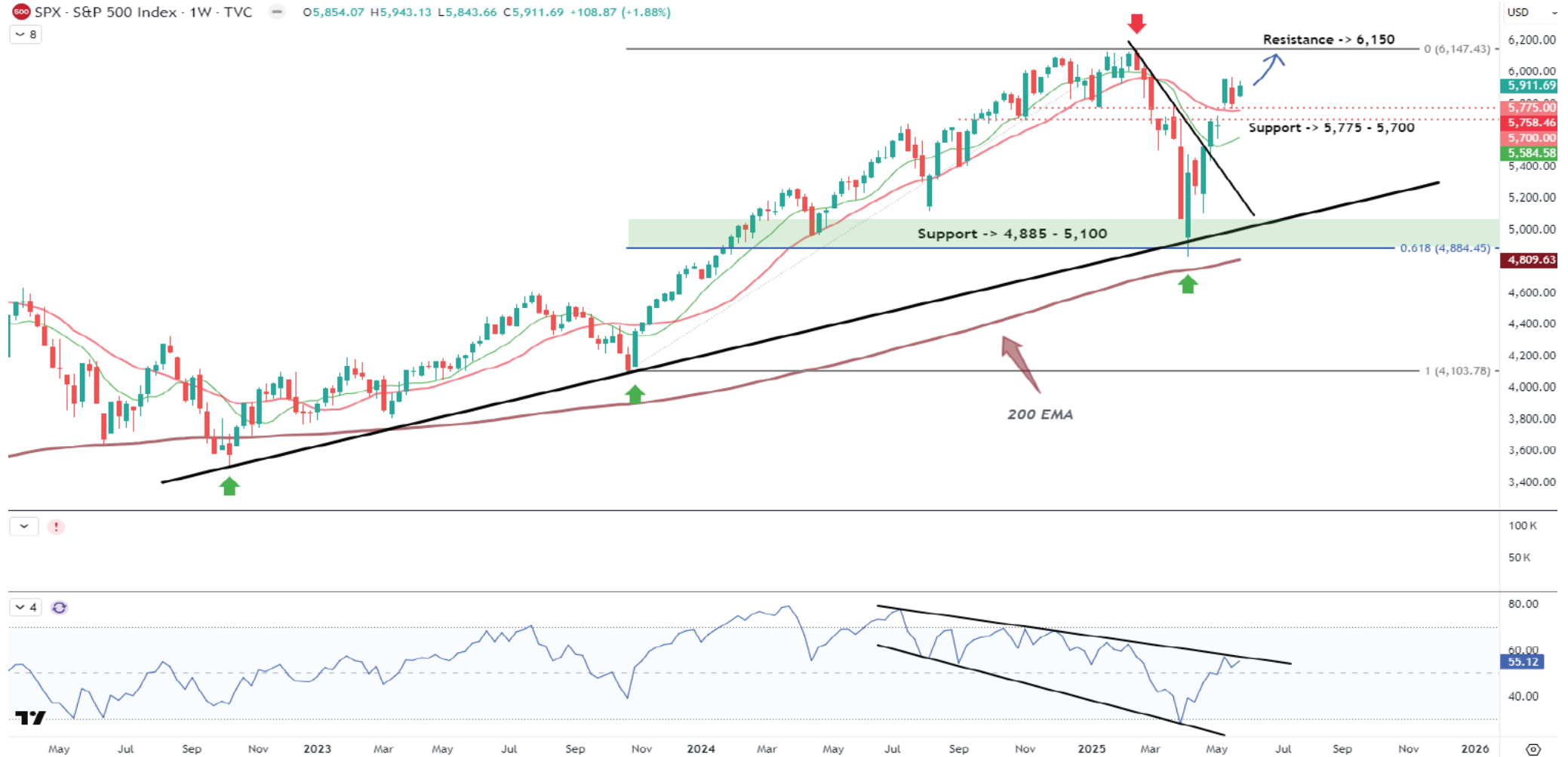
Source: Tradingview.com, Aljazira Capital Research



# GLOBAL BROAD MARKETS ANALYSIS



**S&P500 (Weekly):** After penetrating the declining trendline, the index penetrated the 20-week SMA near 5,775, suggesting a potential further rise toward the prior peak near 6,150. Moreover, the RSI indicator is currently testing a declining trendline. Otherwise, a decisive weekly close below the 10-week SMA near 5,585 could pave the way for a possible further decline toward the support zone near 5,100 – 4,885.



Source: Tradingview.com, Aljazira Capital Research

**Brent (Weekly):** The contract moved laterally after breaching the support level of the 127.2% Fibonacci level near USD 64.85 and currently is heading to retest the 161.8% Fibonacci level near USD 60.00, which, if breached, could suggest a potential further selling pressure toward the 200% Fibonacci level near USD 54.70. Moreover, the RSI indicator continued to decline, heading to test the lower boundary of a declining channel. On the flip side, a decisive weekly close above the resistance level of the previous bottom near USD 70.25 could pave the way for a possible further rise toward the previous minor peak near USD 80.65.



Source: Tradingview.com, Aljazira Capital Research

**Natural Gas (Weekly):** The contract is retesting the previously breached lower boundary of a rising channel, which suggests a decline toward a potential target near USD 2.50 followed by USD 1.80. Moreover, the RSI indicator is simultaneously retesting a previously breached rising trendline near the level of 50, confirming the price action. On the flip side, a decisive weekly close above the resistance of around USD 3.95 could indicate a possible further rise toward the level of the prior peak of around USD 4.80 - 4.90.



Source: Tradingview.com, Aljazira Capital Research

**Gold (Weekly):** The contract is currently moving laterally after hitting the upper boundary of the rising channel near USD 3,350 which suggests a potential profit-taking attitude toward the support zone of the 50% - 61.8% Fibonacci levels around USD 3,025 – 2,910. Meanwhile, the RSI indicator is currently testing a rising trendline after displaying a negative divergence. Otherwise, a decisive weekly close above USD 3,350 could pave the way for a possible further rise toward the level of around USD 3,685.



Source: Tradingview.com, Aljazira Capital Research

**U.S. Dollar Index (Weekly):** The index experiences a profit-booking attitude after retesting the previously breached lower boundary of the sideways movement near the zone of 99.90 – 100.80, suggesting a potential further decline toward the 127.2% Fibonacci level of 97.40. Additionally, the RSI indicator is still hovering laterally below the 50 level. On the flip side, a weekly close above the 10-week SMA near 100.60 could indicate the strength of the index and pave the way for a possible further rise toward the 200-week SMA around 102.80.



Source: Tradingview.com, Aljazira Capital Research

**Bitcoin (Weekly):** The contract, after retesting the resistance of the previous peak near USD 109,500 started to experience a profit-booking attitude, suggesting a potential decline toward the support zone of the 38.2% - 50% Fibonacci levels near USD 98,000 – 93,500. Meanwhile, the RSI indicator started to decline after retesting a declining trendline near the level of 70. On the flip side, a weekly close above the resistance of around USD 112,500 could pave the way for a further rise toward the resistance of around USD 119,800



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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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