

July 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

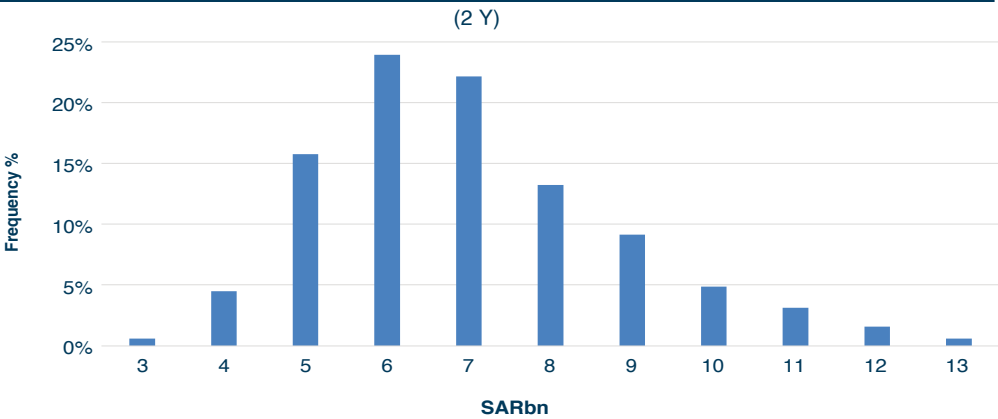


Tadawul Index (Weekly): The index formed a **Bullish Marubozu** candlestick, indicating a further rise toward the declining trendline and the **38.2% Fibonacci level near 11,235**, where a **decisive breakout above it would suggest an upside target near 11,730**. Meanwhile, the RSI indicator has penetrated a declining trendline, indicating a potential breakout in the index. Otherwise, a decisive weekly close below 10,750 would indicate the weakness of the index and pave the way for a possible further decline toward the level of the previous bottom near 10,430.

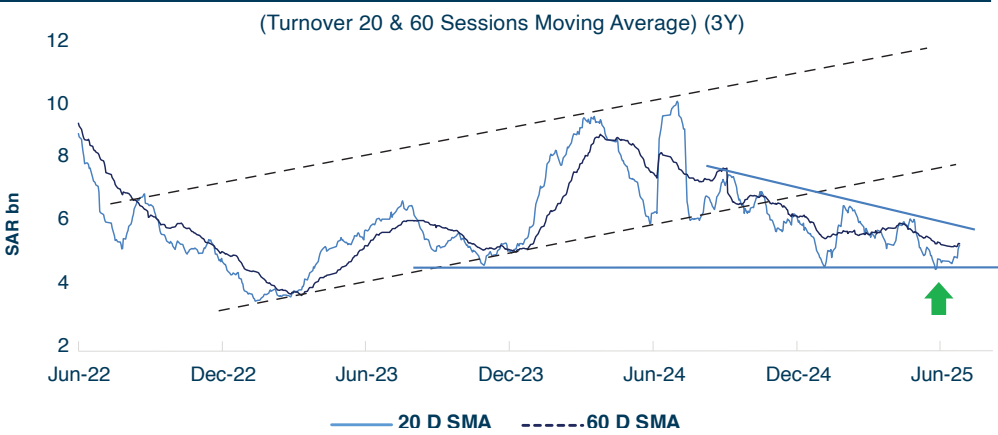


Source: Tradingview.com, Aljazira Capital Research

Daily Turnover



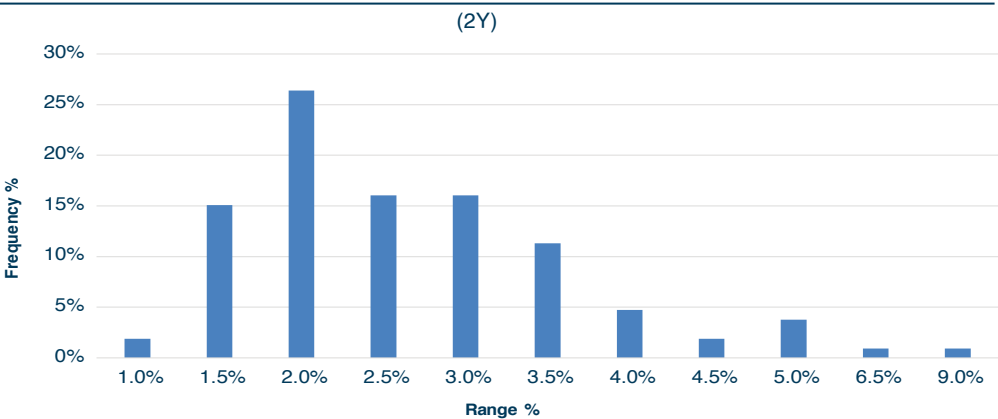
Liquidity Trend (3Y)



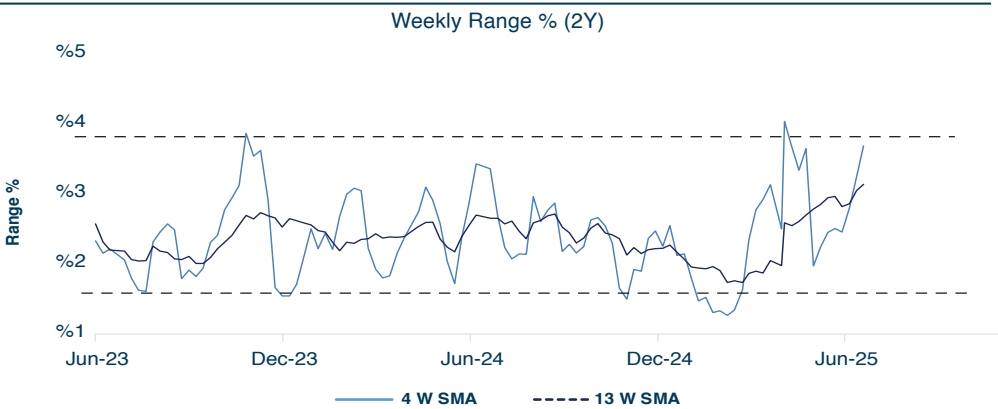
During the prior two years, TASI recorded daily turnovers between SAR 5 – 7bn nearly two-thirds of the time, with the highest frequency of SAR 6bn.

The trend of the liquidity of the index bounced off the level around previous bottoms near 4.8bn, heading to test a declining trendline near 6.2bn where a penetration above it could indicate a potential further increase toward 7.6bn.

Weekly Range %



Volatility Trend



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

The trend of the volatility approaches the upper boundary of the sideways trend near 4.00%, indicating a possible decline toward the zone around 2.50%.

Source: Argaam, Aljazira Capital Research

Banks Sector (Weekly): The index is currently retesting the upper boundary of a declining channel near 12,210, where a decisive breakout above it could suggest a potential upside target near 12,710 followed by the zone of 13,000 – 13,200. Moreover, the RSI indicator has penetrated a declining trendline indicating a potential upside breakout in the index. On the flip side, a decisive weekly close below 11,660 could pave the way for a possible decline toward the prior bottom near 11,400.



Materials Sector (Weekly): The index bounced off the 161.8% Fibonacci level around 4,840 for the second time in a row, indicating a possible upside rebound to retest the upper boundary of a declining channel near 5,300. A decisive breakout above this level could suggest an upside target near 5,690. Moreover, the RSI indicator penetrated a declining trendline, indicating a possible upside breakout in the index. On the flip side, a weekly close below 4,840 would pave the way for a possible further decline toward the prior bottom near 4,630.



Source: Tradingview.com, Aljazira Capital Research

Energy Sector (Weekly): The index breached the support level of 4,660 and currently tests the 127.2% Fibonacci level near 4,570, which, if breached, could induce a possible further decline toward 4,460, where a potential buying attitude may reemerge. Moreover, the RSI indicator is heading to retest a previously penetrated rising trendline. Otherwise, a weekly close above the 10-week SMA near 4,760 could pave the way for a further rise toward the 20-week SMA and the prior minor peak near 4,900 – 4,960.



Telecommunication Services Sector (Weekly): The index is approaching a test of the resistance of the 50% Fibonacci level near 8,655, where a decisive penetration above it could suggest an upside target near 8,950, followed by 9,350. Meanwhile, the RSI indicator started to penetrate the 50 level after bouncing off the zone of prior troughs. Otherwise, a weekly close below 7,970 would indicate a possible further decline toward the 200-week EMA around 7,600.



Source: Tradingview.com, Aljazira Capital Research

Insurance Sector (Weekly): The index approaches a test of the resistance of the prior peak near 9,600, where a decisive breakout above it could suggest a potential target near 10,380 followed by 10,875. Meanwhile, the RSI indicator is currently testing a declining trendline near the 50 level. Otherwise, a weekly close below 8,850 could pave the way for a possible further decline toward the 161.8% Fibonacci level near 8,280.



Consumer Durables and Apparel Sector (Weekly): The index is currently retesting the upper boundary of a declining channel near the 61.8% Fibonacci level near 4,925, which, if penetrated, would suggest a potential target near 5,295, followed by 5,560. Moreover, the RSI indicator penetrated a declining trendline, indicating a possible upside breakout in the index. Otherwise, a weekly close below 4,600 could pave the way for a possible further decline toward the previous bottom around 4,320.



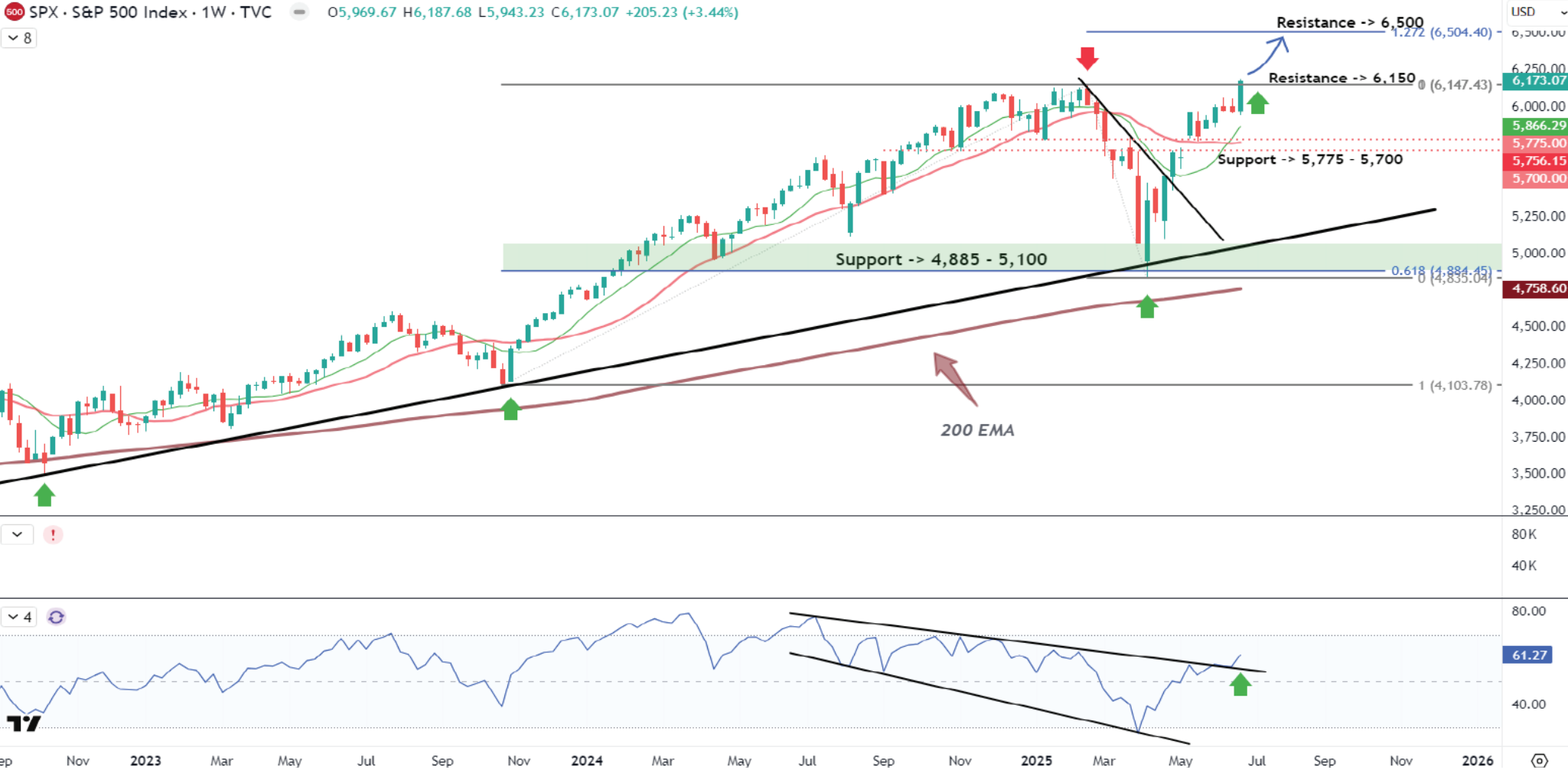
Source: Tradingview.com, Aljazira Capital Research



GLOBAL BROAD MARKETS ANALYSIS



S&P500 (Weekly): The index penetrated the level of the prior peak near 6,150 suggesting a potential further rise toward an upside target near 6,500. Moreover, the RSI indicator penetrated a declining trendline confirming the positive price action. Otherwise, a decisive weekly close below 5,950 could pave the way for a possible further decline toward the 20-week SMA near 5,750.



Brent (Weekly): The contract started to breach the support level of the 61.8% Fibonacci level near USD 67.25, suggesting a potential further decline toward the 78.6% Fibonacci level near the zone of USD 63.40 – 62.10. Moreover, the RSI indicator started to breach the 50 level, indicating a weakening price action. On the flip side, a decisive weekly close above the resistance level of USD 70.65 could pave the way for a possible further rise toward the upper boundary of the declining channel near USD 77.40.



Source: Tradingview.com, Aljazira Capital Research

Natural Gas (Weekly): The contract is retesting the previously breached lower boundary of a rising channel near the 200-week SMA near USD 3.95, suggesting a decline toward a potential target near USD 2.85 followed by USD 2.30. 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 started to experience a profit-taking attitude after hitting the upper boundary of the rising channel near the prior peak around USD 3,510 which suggests a potential retracement toward the support zone of the 38.2% - 50% Fibonacci levels around USD 3,140 - 3,025. Meanwhile, the RSI indicator breached a rising trendline after displaying a negative divergence indicating a weakening price action. Otherwise, a decisive weekly close above USD 3,510 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 persistent profit-taking attitude after retesting the previously breached lower boundary of the sideways movement near the zone of 100.45 – 101.00, approaching a test of the 127.2% Fibonacci level near 96.80, which, if breached, could suggest a potential further decline toward the 161.8% Fibonacci level near 95.40. 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 99.30 could indicate the strength of the index and pave the way for a possible further rise toward the previously breached boundary of the channel around 101.00.



Source: Tradingview.com, Aljazira Capital Research

Bitcoin (Weekly): The contract is currently retesting the critical resistance of the previous peak near USD 109,500 – 112,500, which needs to be penetrated to suggest a further upside target near USD 119,800. Meanwhile, the RSI indicator approaches a retest of a declining trendline. On the flip side, a weekly close below the 10-week SMA around USD 103,700 could pave the way for a further decline toward the zone of the 20-week SMA and the 50% Fibonacci level around USD 95,400 – 93,500.



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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