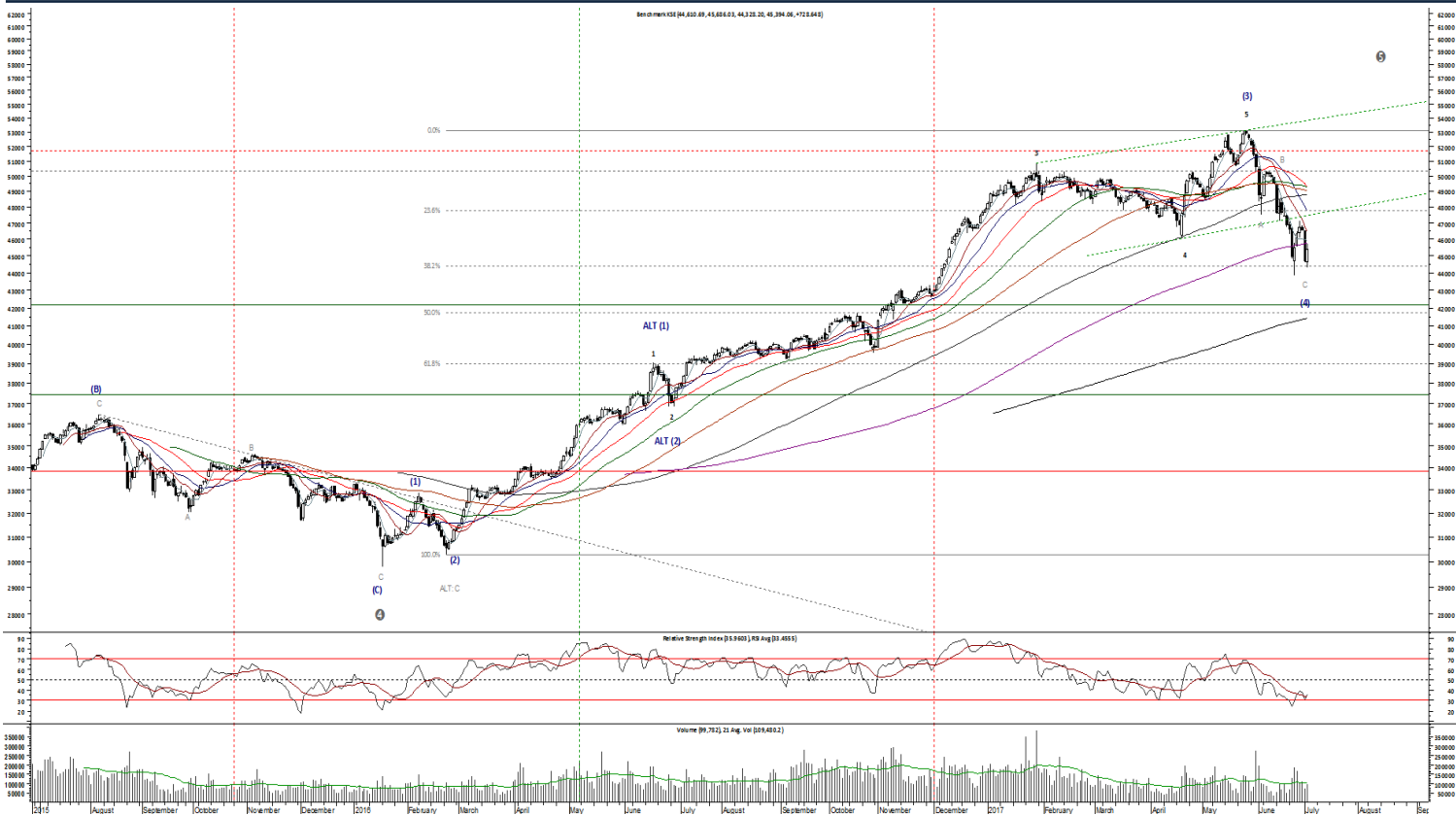




KSE100 Index

CLOSE	HIGH	LOW	CHANGE	14-day RSI	55-SMA	144-SMA	233-SMA
45,394	45,686	44,328	+728 / 1.63%	35.96	49,278	48,784	45,751



Support Anchored?

INTRADAY SUPPORT LEVELS

S1: 44,397

S2: 43,826

S3: 41,701

INTRADAY RESISTANCE LEVELS

R1: 45,729

R2: 46,100

R3: 46,874

The KSE 100-Index gained 1.63% (728 points +ve) yesterday led by PPL, OGDC, ENGRO, HUBC, FFC, DGKC & PSO. Support around 44,397 level managed to halt the downwards trend as bulls took advantage of contracting volume and diverging momentum readings. The falling trend line is under challenge around 46,100 level where a closing break above the afore-said resistance should clear the way for bullish reversal towards 48,476 and 49,574 levels. The 14-day RSI recovering from oversold region needs a reading above 39.08 to confirm the bullish signal. On the other hand, the stochastic oscillator is still pointing lower so one should wait for the confirmation.

On the flipside, a closing break below 44,397 level will expose the last low at 43,826 level where further selling can possibly expose the 50% retracement of last intermediate run (Feb'16 to May'17) at 41,701 level —coinciding with the Fibonacci average (377-day) at 41,392 level. Contracting volume on the downside and diverging momentum readings indicate that the correction is in the last leg down (wave 5 of wave C) of the A-B-C sequence.

According to our preferred Elliott wave count, the index correcting lower in 4th intermediate wave of the fifth primary degree rise has completed the 38.2% Fibonacci retracement of last intermediate run (Feb'16 to May'17) at 44,397 level. In a case of further pressure, the 50% retracement comes around 41,701 level coinciding with the Fibonacci average (377-day) at 41,425 level. The critical resistance between 50,111 and 50,666 levels hold the key to new highs. If the count is correct then completion of intermediate correction will probably resume the bullish trend for new highs beyond May'17 high (53,127) to complete the fifth Primary cycle.

13-day Leaders: PMPK, JLIIC, PAKT, NPL, ARM, NESTLE, FATIMA, NCPL, KTML & PSEL

13-day Laggards: CJPL, TRG, FEROS, ISL, JDWS, GHGL, SEARL, ACPL, BATA & PGF

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