



KSE100 Index

| CLOSE | HIGH | LOW | CHANGE | 14-day RSI | 5-SMA | 10-SMA | 15-SMA |
|--------|--------|--------|-------------------|------------|--------|--------|--------|
| 44,378 | 44,763 | 44,321 | -158.39 / (0.36%) | 34.52 | 44,869 | 45,231 | 45,328 |



Approaching a Critical Channel Support; Exploring Two Possible Scenarios

RESISTANCE LEVELS

- R1: 44,539
- R2: 45,259
- R3: 46,201

SUPPORT LEVELS

- S1: 44,033
- S2: 43,152
- S3: 42,209

The benchmark PSX has fallen 5.87% in last the last 20 trading sessions approaching the Ichimoku cloud support (44,226 — 43,964 levels) with oversold daily momentum readings. It is very hard to give a confident Elliot wave count in current situation. Therefore, we would like to highlight two possible scenarios (running flat and expanding flat).

In the first case, the benchmark PSX is possibly correcting lower in “wave c” of a running flat pattern with channel support placed around 44,033 level. In this case, the index should not close below the 44k level and should start regaining its minor averages. Preferred trading strategy would be to buy with risk defined on close below 44,000 level.

In an expanding flat scenario, failure to hold the 44,000 level can push the index down in “wave c” at least towards 42,209 — 42,111 levels which in worse case may later extend up to 40,169 — 39,160 levels. Traders may opt for weak sell stance below 44,000 level with risk above 45,259 level.

In either case, the primary count for the index will remain bullish targeting at least 49,500 level. Long term investors are advised to keep room for accumulating Fertilizer, E&P, Banking, Food & Chemical sectors

Please see page 2 (Technical Score Sheet) for individual stocks profile.

Qasim Anwar, CMT
qasim.anwar@akdsecurities.net
111-253-111 (680)

