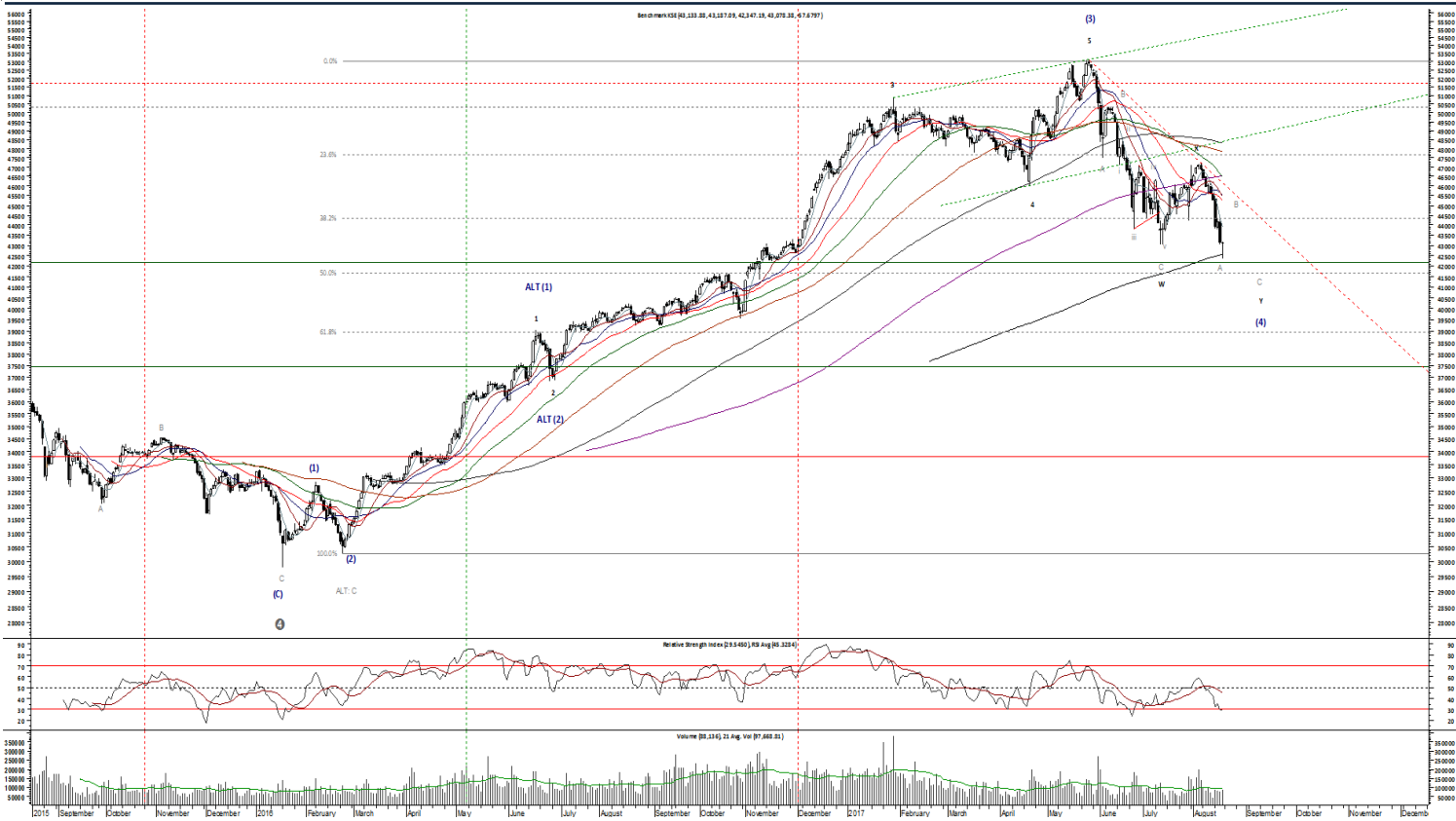




KSE100 Index

CLOSE	HIGH	LOW	CHANGE	14-day RSI	55-SMA	144-SMA	233-SMA
43,078	43,187	42,347	-57.68 / (0.13%)	29.54	46,467	48,301	46,520



Dragonfly Doji At Oversold Momentum

The benchmark PSX concluded 0.13% lower (57pts -ve) at 43,076 level on Friday after hitting a session low at 42,347 level (1.85% or 788 pts -ve). This action has formed a *dragonfly doji* around the 377-day average (42,559) which at grossly oversold momentum readings indicate a halt in downwards trend. A follow-through above Friday's high of 43,187 level should allow a relief towards 43,895 and 44,397 — 44,685 levels to adjust the oversold momentum. In case of further pressure below Friday's low of 42,347 level, strong support resides between 41,701 and 41,157 levels.

According to our preferred Elliott wave count, the index is falling in minor wave Y of fourth intermediate (corrective) wave of fifth primary degree rise. In the process, the correction is nearing the deeper 50% retracement of last intermediate run (Feb'16 to May'17) around 41,701 level. Below there, the 61.8% retracement resides around 39,004 level, coinciding with the 610 day Fibonacci average at 39,058 level. If our count is correct then completion of intermediate correction should resume the bullish trend through 47,241 — 48,555 levels to challenge May'17 high (53,127) to complete the fifth of fifth Primary cycle. Investors are advised to accumulate positions on weakness up to the above mentioned retracement levels.

13-day Leaders: CJPL, MUREB, PICT, PSO, NESTLE, PAKT, NATF, SPWL, BAFL & TRG

13-day Laggards: FML, PSMC, EFOODS, MLCF, PAEL, IDYM, ARM, CSAP, SEARL & JDWS

INTRADAY SUPPORT LEVELS

- S1: 42,739
- S2: 42,377
- S3: 41,701

INTRADAY RESISTANCE LEVELS

- R1: 43,106
- R2: 43,895
- R3: 44,397 — 44,685

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