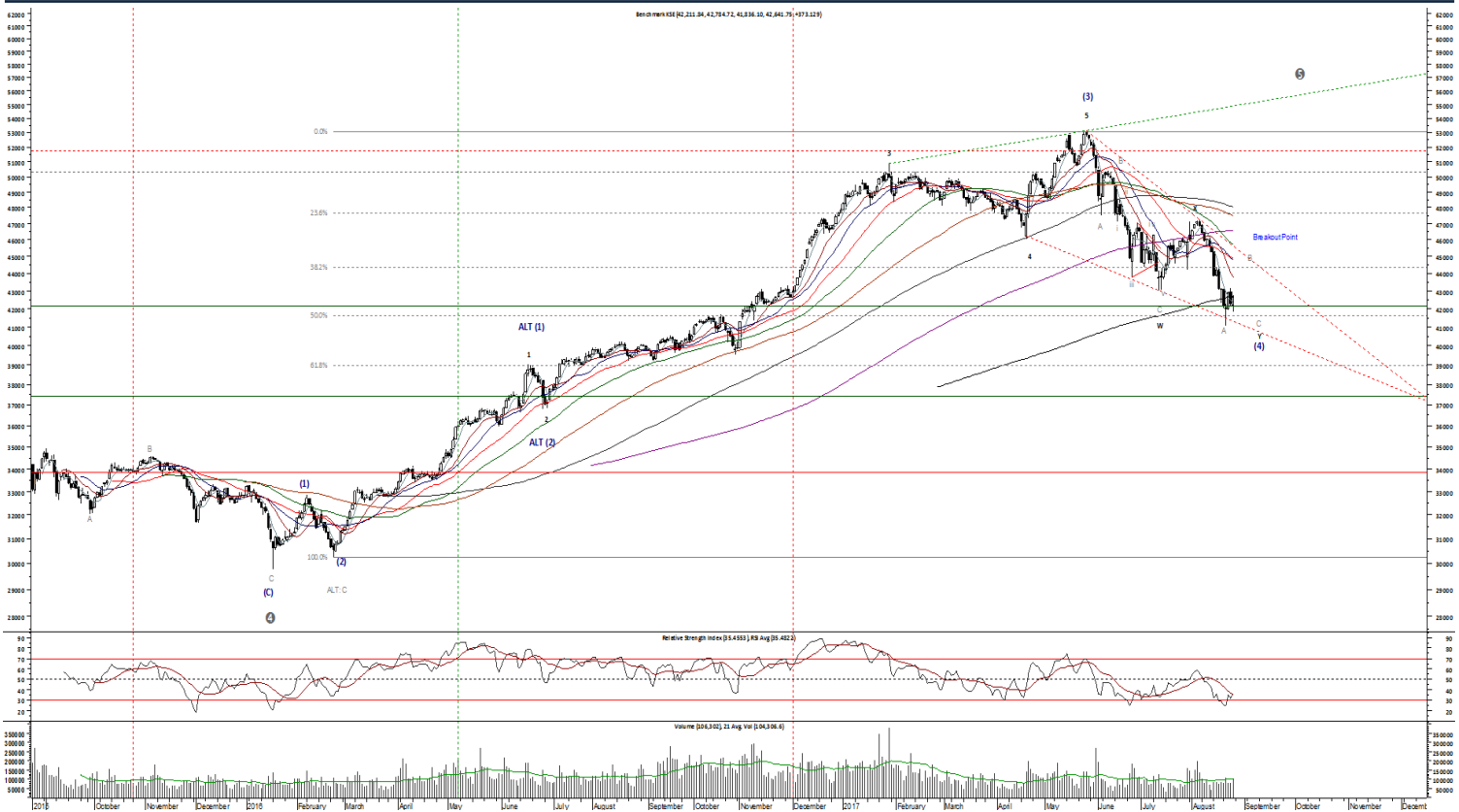




KSE100 Index

CLOSE	HIGH	LOW	CHANGE	14-day RSI	55-SMA	144-SMA	233-SMA
42,641	42,784	41,836	+373 / (0.88%)	35.45	45,748	48,043	46,564



Recovering Momentum

The benchmark PSX momentum readings have started to recover after completing 50% retracement of last intermediate run (Feb'16 to May'17) around 41,701 level. A break above 43,173 level should allow a recovery towards 43,946 level to adjust the momentum readings. In case if market hits 44,052 level then possibility of deeper recovery towards 45,900 and 48,891 levels would be likely. On the down side, a relapse below 41,701 level will expose last low at 41,062 level to continue the bearish momentum towards 40,535 and 39,742 levels.

According to our preferred Elliot 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 has completed 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 39,137 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: NATF, SPWL, NESTLE, CJPL, HMB, PMPK, PSO, PSEL, NCL & IGII

13-day Laggards: EFOODS, PAEL, SHEL, SRVI, MLCF, PSMC, ACPL, CSAP, DGKC & CPPL

INTRADAY SUPPORT LEVELS

- S1: 42,235
- S2: 41,701
- S3: 41,062

INTRADAY RESISTANCE LEVELS

- R1: 42,910
- R2: 43,346
- R3: 43,946 — 44,052

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