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## DGKC: Poised for Broader Upside

**D.G. Khan Cement Company Limited**

PSX: DGKC | Bloomberg: DGKC PA | Reuters: DGKH.PSX



**DGKC (LDCP 88.57)** The stock declined 73% from its mid-February 2021 high of 143.51, hitting a low of 39.00 in late February 2023. It then formed a U-shaped pattern, connecting the highs of January 3, 2022, and December 11, 2023, at 85.50. After this, price corrected about 50% of the U-shape's depth, resulting in an upward breakout above the neckline in early May, forming a classic cup and handle pattern.

This pattern was further supported by increasing volume during the upward moves, while forming both the cup and the handle. The stock has held above the neckline breakout for nine weeks, which targets around **130.00**, with further potential to retest the **143.51** high of 2021. Downside risk for this formation sets in below **80.80**.

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