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KSE-100 INDEX: The 50-day SMA Halts Drop

KSE100 – 73,754 (-108.91)

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PSX:KSE 100, 1D O:73805.95 H:73902.78 L:71781.96 C:73754.01



The 50-day Simple Moving Average (SMA) played a key role in defining trailing support for the index, absorbing the extreme shock of negative volatility. The closing verdict formed a Dragonfly doji which reflects indecision despite the spontaneous recovery from sessions lows. The candle's low, in conjunction with the 50-day SMA, clearly establishes immediate critical support and risk level at 71,780. Conversely, the last three weekly candle highs have defined a triple top around 76,250.

The Dragonfly doji candle to some extent does indicate a shift, suggesting weakness among sellers and hinting at a potential reversal of the weakness witnessed on Friday. However, for a confirmed upward recovery a subsequent candle needs to surpass the horizontal resistance at 74,585.

OGDC: Hammer Candle Signals Seller Weakness

Oil & Gas Development Co. Ltd. (OGDC) – PKR 123.78

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PSX:OGDC, 1D O:124.99 H:124.99 L:120.36 C:123.78



TradingView

Failing to hold 100-day SMA the stock tested long term bullish trend line near at 120.36 level to close at 123.78 level forming hammer candle on last session, suggesting weakness of sellers. The 14-day RSI stood at 31.45 approaching its support around 30, signifying likelihood of subsiding pressure.

The immediate support level for the stock would be 119.77 and 117.47 level, while the immediate resistance level would be ranging 129.90 to 131.47 level. We suggested neutral to positive stance.

SYS: Holds Above 200-Day SMA, Presents Trading Opportunity

Systems Limited (SYS) – PKR 435.59

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PSX:SYS, 1D O:425.11 H:445.50 L:413.30 C:435.59



SYS, despite experiencing rejection from the bearish trend line near the 461 level, is holding above the 200-day Simple Moving Average (SMA) and the horizontal support line in the 418 to 423 range, establishing a short-term demand zone with improved volume. The Relative Strength Index (RSI) at 61.12 indicates the stock is staying in the bullish region.

In our view, the stock presents a good opportunity in the 418 to 448 range and the 461 range. We suggest accumulating with a defined risk, closing below the 417 level, targeting the 448 and 461 levels.

NETSOL: Stock Above 50-Day SMA with Improved Volume

NetSol Technologies Limited (NETSOL) – PKR 133.23

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 PSX:NETSOL, 1D O:130.00 H:138.44 L:122.62 C:133.23



TradingView

The stock is currently holding above the 50-day Simple Moving Average (SMA) after a highly volatile week, offering trading opportunities on both sides with improved trading volume. Strong support is defined near the 122.45 levels. The 14-day Relative Strength Index (RSI) stood at 57.30, supporting a positive view.

We suggest maintaining a positive stance on the stock with defined risk, closing below the short-term bullish trend line support at 118. With the initial resistance level at 135, the upside targets are set at 142 and 149.50 levels.

DGKC: Sideways but Bullish, Key Levels and Outlook

D.G. Khan Cement Co. Ltd. (DGKC) – PKR 88.30

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 PSX:DGKC, 1D O:84.93 H:89.10 L:82.10 C:88.30



The stock has been experiencing sideways movement for the fourth consecutive week, trading in the range of 82 to 92 levels. Despite this, the cluster of support near the 82 level, combined with the overall trend, suggests a positive outlook for the stock.

The key resistance level is near the recent high at 91.88. A close above this level could potentially propel the price towards the horizontal resistance zone between 98.70 and 100.60, aligning with the channel resistance. Further upward movement above 101 would likely test the strong resistance at 107.00.

We recommend maintaining a bullish stance on the stock, with defined risk observed by a close below 82.00.

ASTL: Sideways with Positive Bias

Amreli Steels Limited (ASTL) – PKR 27.1

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 PSX:ASTL 1D O:26.30 H:27.59 L:25.80 C:27.10



The stock is currently experiencing sideways movement within the range of 25.70 to 27.50, offering a good trading range while struggling to break either side. It's holding above the 30-day SMA followed by the 50-day SMA, while resistance comes along the short-term descending channel line.

Maintaining a positive outlook on the stock, we suggest taking advantage of dips, with defined risk observed for a close below 25.70. Our initial upside potential target is set at 31.50, with immediate resistance in the 28.80 to 29.40 range.

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