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## KSE-100 INDEX: Surviving the Support Line

KSE100 – 78,225.98 (+485.68)



The 50-day SMA (77,398), aligned with the short-term support trend line on daily chart, remains in play and has helped the index halt the prior two weeks' correction, posting a slight recovery of 196 points (WoW) with a weekly closing at 78,225. However, the weekly candle slightly violated the support trend line of the rising wedge on the weekly chart with a long upper shadow, indicating intraweek correction after peaking at 79,327. The daily RSI stands at 48.42, down from a recent high of 75.32.

If the index manages to hold above the 50-day SMA and the support trend line, it may face resistance near the 30-SMA around 79,175 to the July 30 candle high of 79,327, followed by the horizontal resistance line at 80,059. On the downside, immediate support levels are at 77,281 and 76,250. We recommend maintaining a cautious stance in the market ahead.

# HUBC: Hold above Breakout Line; Cautious Optimism

The Hub Power Company Limited. (HUBC) – PKR 149.05



A spinning top candle formed on the weekly chart, halting a five-week correction and forming a double bottom near the breakout horizontal support line at 145.99 (February 2017 top), aligned with the 144.91 (23.6% retracement, measured from the June 19, 2023 low to the June 24, 2024 high), indicating waning of selling pressure.

The stock is trading within a long-term bullish channel, and any violation below 145 that could pave the way to test the support trend line of the channel, is likely to remain in play within the range of 138.00 to 136.00, potentially offering an opportunity to accumulate the stock. On the upside, resistance may initially be encountered in the range of 157.60 to 162.79.

A cautiously optimistic outlook is advised for the stock as long as the price holds above the bullish trend line on a weekly basis.

## PPL: Cautious Optimism, Holding above 200-day SMA

Pakistan Petroleum Limited (PPL) – PKR 112.54



The 200-day SMA, aligned with the June 11 candle low, remains a crucial support level, halting the decline from the recent July 03 peak of 126.20 to the August 01 low of 110.13, potentially forming a double bottom. The last trading session of the week saw a gap-up opening and a 1.65% gain, though trading volume did not confirm the price action, which is a concern. The daily RSI stands at 40.14, down from its recent peak of 74.88.

If the stock continues to hold above the 200-day SMA, the upside move may face resistance near the 100-day SMA, along with the weekly high of 116.50. A breakout above 116.50 could pave the way to retest trend line resistance in the 122 to 124 range. On the downside, immediate support is at the 109.70 level, with further support near the April 02 low of 103.60 if 109.70 does not hold. We recommend a cautious buy in the stock with a defined risk on a close below 109.70.

# HBL: Range-Play Continues

Habib Bank Limited (HBL) – PKR 135.88



TradingView

The corrective move initiated from the July 15 peak of 153.23 continued to plunge, breaching the horizontal support line at the prior breakout level of 132.50 and closing below at 131.68 on July 31, also violating the 30-day SMA. However, the stock regained momentum, holding above the critical horizontal support line and the 30-day SMA, closing at 135.88. The daily RSI stands at 53.16, improved from the July 31 low of 46.26.

If the upward move continues, the next resistance is anticipated near the 142.00 to 148.00 level, followed by the recent peak at 153.23. On the downside, immediate support is seen in the 132.50 to 130.00 range. We recommend cautious buying in the stock with a defined risk on a close below 130.00.

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