

Pakistan Market: Technical Outlook

Closing below 200-DMA; further downside risk

7-DRSI	14-DRSI	SO	5-DMA	30-DMA	200-DMA
12.36	26.97	5.55	9784.26	10126.28	9795.50

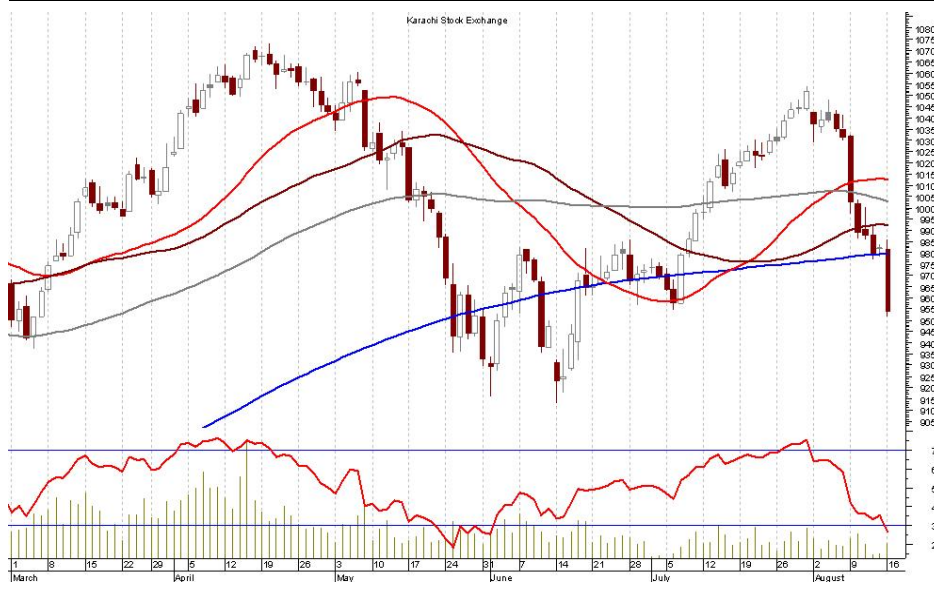
KSE-100 Index:
9537.13

Open:
9819.64

High:
9860.07

Low:
9517.09

Volume (mn shares):
64.30



R3	R2	R1	PIVOT	S1	S2	S3
9729.86	9669.71	9628.87	9638.10	9446.26	9406.27	9353.01

Yesterday, the KSE-100 index fell sharply and closed at 9,537 level with a decline of 286 points. Volumes picked up and came in at 64mn shares as against 32mn shares traded previously. With the current decline, the index has fallen below its 200-DMA indicating that the downward movement is likely to continue targeting double bottom at 9,355 level, further around 9,150 mark. The RSI and the MACD have maintained their declining trend supporting the bearish view, however a short term pull back towards the 200-DMA at 9,795 level is likely. We therefore suggests investors to stay cautious and maintain 'Sell on Strength' strategy. First and second supports are present at 9,446 and 9,406 level, while the index will face resistance at 9,629 and 9,670 levels, respectively.

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