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25 March 2024

Pakistan

Technical analysis

Volume Reflects Consolidation.

KSE100 - 65151 & 233-dema (54974)

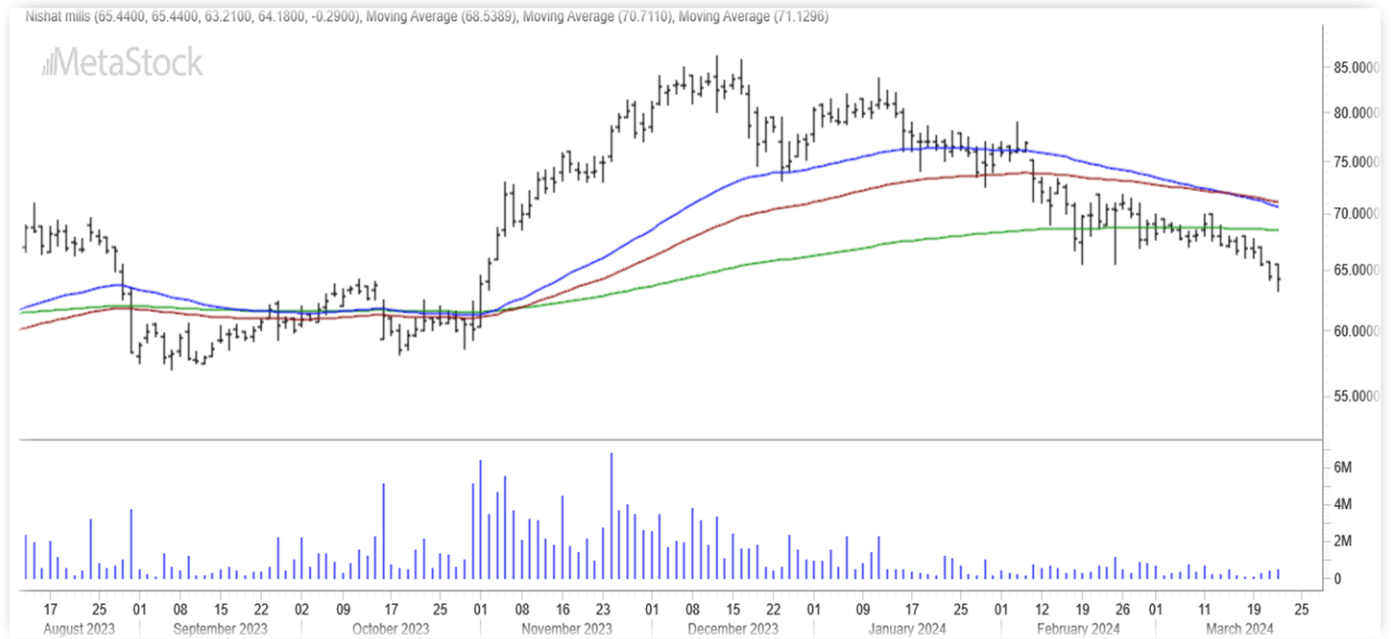


A directionless week as levels continue to toggle around 65300 developing a further minor resistance around 66100. Thus, levels below the peak of 67093 have now developed congestion that ranges from 65300-67093. This now defines the peak level as a key resistance in place and not just a level achieved. But the underlying trend remains intact and further short-term declines would only be part of the sideways trend that has been in play since December with a low at 58758. Inner support currently in sight comes around 63850. The index now requires consecutive volume moves to build above 65300 and 66100 to signal momentum in the making till then the consolidation continues over the short-term. While price action in numerous stocks has been on a negative divergence, particularly cements, the dissipating nature of volume does not support any downtrend but only a consolidative outlook.

All charts priced as at
22-03-2024

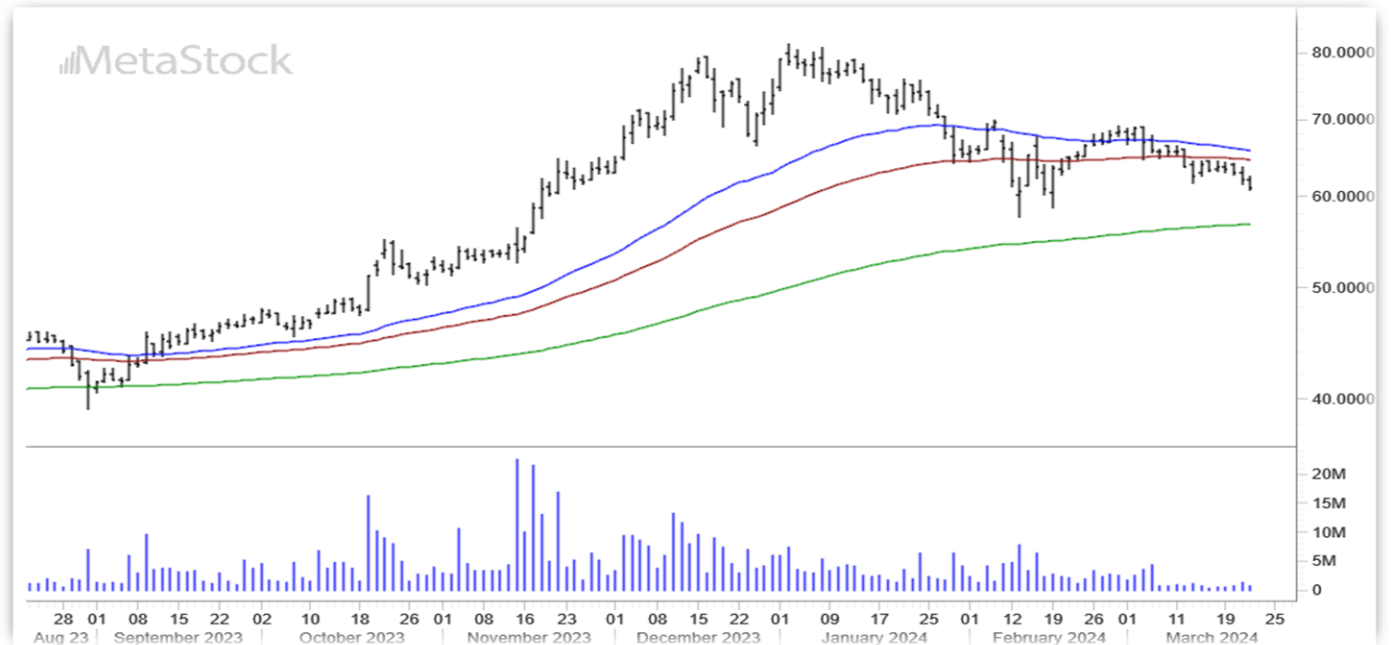
Our technical view on individual stocks
may differ from our fundamental
recommendations

Nishat Mills Ltd. (NML) – 64.18 & 233-dema (68.54)



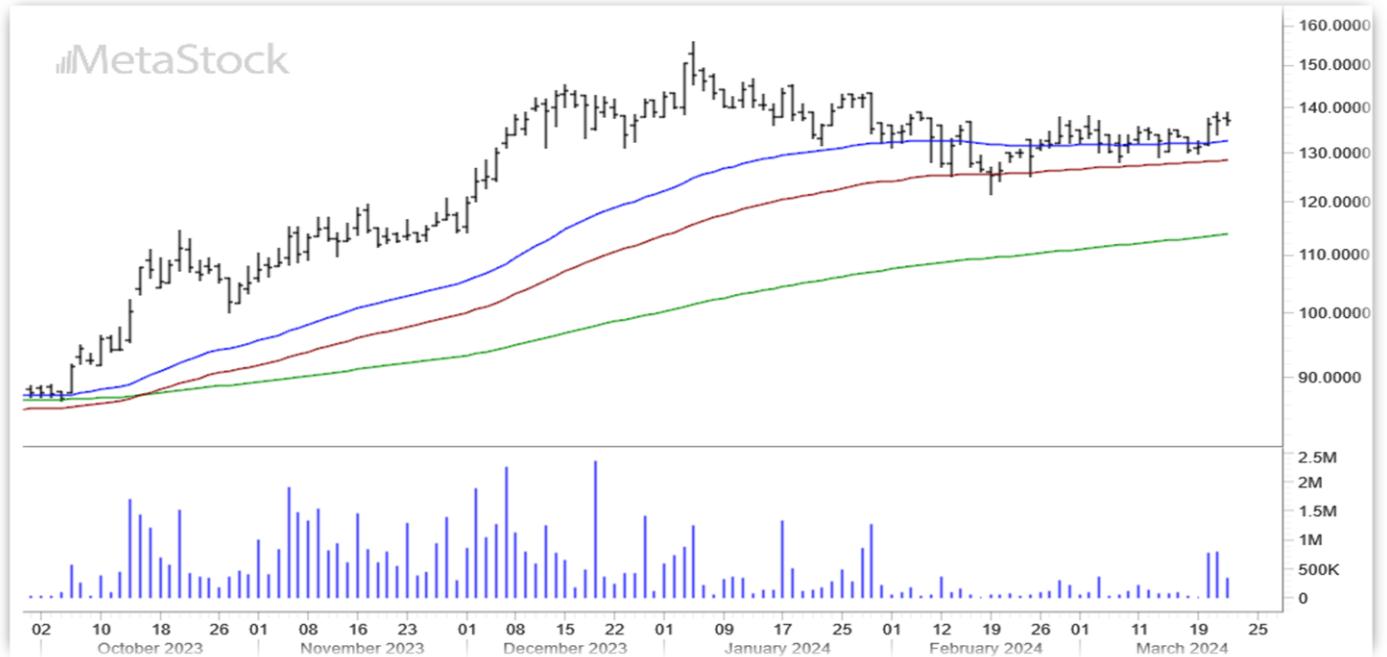
Moving below the 55 & 90-dema's in early February has since kept the stock on a negative divergence. But last week's break below 65.50 has developed a negative crossover of the averages. This development is highlighting downside towards 57. Immediate resistance is seen around 65.50-67.00 with key resistance around 71.

Sui Northern Gas Pipelines Ltd. (SNGP) – 61.04 & 233-dema (56.77)



Price now trades below the averages (55 & 90) for the second time since mid-February. Current moves are heading to retest the lows around 57.50-58.50 with shattering low volumes over the last three weeks. This is a corrective decline above the key 233-dema. Key resistance over the short-term is around 66 and is the required area to overcome to build on supportive action.

International Industries Ltd. (INIL) - 137.22 & 233-dema (113.76)



Among the positively diverged the stock has been trailing its averages (55 & 90) since early February. The last three sessions witnessed increased bouts of volume but still facing immediate resistance around 139. Focus on close above 139 to build on the next upward step towards 155.

Engro Corp. Ltd. (ENGRO) - 340.13 & 233-dema (294.00)



The stock is currently consolidating its break above the long-term bearish trend-line that took place four weeks ago. Upside is still looking towards 370-403. Short-term support is seen from 331-326 while close above 348 signals the resumption of this trend-line break.



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