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Pakistan

Technical analysis

Intra-Week Update.

KSE100 Index - 40276 & 233-dema (43725)



Following up from Monday's outlook the index has come to retest resistance around 40600-41000 as levels hold around the support line of the short-term down channel. Downside towards 38000 remains and upticks are seen as throwbacks. Cement stocks are still lagging to make any recovery and we see this is a key sign of sustained weakness along with steel. Refineries that were recently the divergent positive sector are also taking the brunt of weakness now. Fertilizer stocks that were holding in sympathy from the strength of EFERT would now be facing test of their intrinsic strength as EFERT starts to fizzle its strength below 83.

All charts priced as at
28-07-2022

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

Engro Polymer Co. Ltd. (EPCL) - 67.12 & 233-dema (67.00)



The breakout below 72.20 faced a retest yesterday of the descending triangle. This formation targets around 51 (Techlook 25 Jul. 2022). We maintain this formation to be in play with pressure building as prices follow through closings below 65 set in.

Engro Fertilizer Co. (EFERT) - 80.36 & 233-dema (83.21)



Our last update on 18 July highlighted the trend-line support around 88 while resistance around 92 was required to give for the trend to continue. Last week the trend-line gave way but what gives credence to this trend-line break to reverse is price closing below 83. This move brings into sight levels around 75 & 69. Resistance is now placed around 83-87.

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