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20th June, 2024

KSE-100 INDEX: Cautious Optimism

KSE100 – 76,707 (+498.61)



The KSE-100 index regained momentum, recovering the past two weeks' losses to close at a new level of 76,706. Initially holding the 50-day SMA, it then climbed above the 30-day SMA. However, the long-term ascending channel's trend-line still defines resistance around 77,300, with the next resistance at the shorter channel topping around 79,000. Immediate support is at 76,250, with a major support zone between 74,700 and 73,700. The daily RSI is still negatively diverged and remains our point of contention on sustained upside unless proven otherwise by the indicator moving above 80.

We suggest staying positive, with a defined risk on a close below the 50-day SMA currently at 72,650 and trailing upwards.

OGDC: Key Supports Hold

Oil & Gas Development Co. Ltd. (OGDC) – PKR 131.21



Despite minor penetrations of the bullish trend line, the stock held the 200-day SMA and regained momentum from a low of 118.30, crossing the 90-day and 50-day SMAs to test the 30-day SMA at 133.95. It failed to close above the previous horizontal support, now a resistance line, at 131.50. To test the next critical supply zone at 142.00, the stock needs to break above the 30-day and 50-day SMAs.

We suggest a cautious buy specifically above 131.50, with a defined risk on a close below 129.25.

SYS: 200-Day SMA Holding Bullish Outlook

Systems Limited (SYS) – PKR 437.81



The stock has held above the 200-day SMA for three consecutive weeks, respecting both critical support and resistance levels, and offering a good trading opportunity within the 423 to 448 range. We suggest staying bullish and buying dips as long as the stock maintains a close above the 30-day SMA at 414. The horizontal resistance at 448, followed by 461, is crucial; a breakout above the latter would be significant since it would also break above the bearish trend-line.

NETSOL: Continued Volatility, Trading Opportunities Persist

NetSol Technologies Limited (NETSOL) – PKR 142.53



Continuing last week's volatility, the stock offered trading opportunities on both sides with improved volume. Despite closing above the 141.88 resistance level, it failed to surpass the critical 149.50 mark, peaking at 148.40. We recommend booking profits on strength until it breaks the 149.50 resistance. A horizontal support stands around 135; therefore, the 149.50 to 135.00 range remains a short-term trading zone.

DGKC: Stepping Up Above Another Resistance

D.G. Khan Cement Co. Ltd. (DGKC) – PKR 92.73



TradingView

The stock broke above its month-long sideways range, closing above the horizontal resistance at 91.90, and facing resistance at 96.40 (matching the Nov. 08 '21 high). The next resistance is anticipated near the 98.70 level, with further resistance expected at the channel's resistance, currently around 105.65. The stock is currently above the 30-day SMA at 87.16, with immediate support at 91.90. Consider buying on dips, with a defined risk of close below 82.00.

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