

Muhammad Ovais Iqbal  
ovais.iqbal@akseerresearch.com

10 February, 2025

## KSE-100 INDEX: Weak Volumes & RSI Signal Further Downside

KSE100 – 110,322.93 (+21.77)



Following three weeks of consolidation, the KSE-100 index declined 3.4% to close at a seven-week low of 110,322, testing 109,405 but holding above the 109,847-gap support from Dec 20. Weekly volumes fell to 0.64 billion shares, the lowest since the Dec. peak of 3.53 billion, signaling waning investor interest. The weekly RSI dropped below its trendline support (in place since Jan. 2023), stand at 74.76 from its Dec. 09 peak of 93.67, indicating bearish divergence.

Weak price action, low volumes, and negative momentum suggest a cautious outlook. Nevertheless, the 109,847-gap support could trigger a short-term bounce toward 112,200 to 112,400 range, presenting a sell-on-strength opportunity. However, continued declining trend and a sustained break below 109,800 may extend losses to 105,600 (Dec. 16 low), with further downside toward the 100-day SMA (100,390).

We maintain a cautious near-term stance and recommend selling on strength.

# ENGROH: Test Critical Support, Bounce or Breakdown?

Engro Holdings Limited. (ENGROH) – PKR 198.24



EGROH recently hit a high of 287.88 but faced resistance, failing to break through, triggering a bearish move that led to a six-week low, closing at 198.24. During the week, the stock tested the 195-support level, aligning with the Dec. 09 and 16 lows and the 61.8% Fibonacci retracement of the 136.5 to 287.88 rally, acting as a key support that restricted further downside. Meanwhile, the weekly RSI corrected from its Dec. 30 high of 83.40 to 52.62, near its October low support.

The stock is currently testing a major support cluster, but a follow-through candle is needed for confirmation of the next direction. A short-term trading opportunity may emerge if 195.00 holds, with potential upside toward 226.64 (9-Week SMA) and the 241.45 to 252.40 zone (50% to 61.8% Fibonacci retracement of the 287.88–195 correction).

Conversely, a break below 195 could extend losses toward the 180-horizontal support, with further downside likely testing the 30 & 50-week SMAs in the 174–165 range.

## DGKC: Weak Momentum Pressures Below 9-Week SMA

D.G. Khan Cement Company Limited. (DGKC) – PKR 102.13



DGKC saw a sharp decline, breaking below the 9-week SMA for the first time since December, following multiple rejections near the upper boundary of its ascending channel at 112.40, which remains a strong resistance level. Trading volume remained subdued, while the weekly RSI dropped to 58.99, penetrating its short-term support trendline and suggesting an evolving bearish divergence.

Looking ahead, the immediate support at 96.40, with the 30- and 50-week SMAs providing additional support in the 88.65 to 85.25 range, before the lower boundary of the channel near 81.60. We adopted a cautious near-term stance, recommending a sell-on-strength strategy unless the stock convincingly breaks above 112.40 with improved volumes.

## HUBC: Struggles Below Key SMAs, Risks Further Decline

The Hub Power Company Limited. (HUBC) – PKR 126.41



HUBC continued its three-week downtrend following a double top at 142.97 on Jan. 25, facing rejection and breaking below the 30- and 50-week SMAs. These moving averages, now positioned between 129.40–132.20, may act as resistance. The critical support trendline from Oct. 24 stands around 123.75, acting as immediate support. A break below this level could extend losses toward the 100-week SMA (111.35), which recently provided strong support. We maintain a cautious near-term stance, recommending a sell-on-strength strategy unless the stock sustains a breakout above 135.00 with improved volume.

## GAL: Holds Support, Awaiting Breakout

Ghandhara Automobiles Limited. (GAL) – PKR 433.46



GAL faced selling pressure throughout the week, testing a low of 401.25 before closing at 433.46, holding above the 406.00 support (2017 all-time high and a key breakout level from January 13). Trading volume continued its three-week decline, signaling waning investor participation.

The broader bullish trend remains intact; however, a break above 479.00 with improved volume is required to unlock upside targets at 542.52 (127.2% extension) and 682.28 (161.8% extension). On the downside, immediate support lies at 400, with a close below 390, potentially shifting the outlook lower toward 369 and a gap retest at 322. We maintain a positive near-term stance, favoring long positions toward the stated targets while managing risk with a stop-loss below 390.

## Disclaimer

This report has been prepared and marketed jointly by Akseer Research (Pvt) Limited and Alpha Capital (Pvt) Limited, hereinafter referred jointly as "JV" and is provided for information purposes only. Under no circumstances is this to be used or considered as an offer to sell or solicitation of any offer to buy. While reasonable care has been taken to ensure that the information contained therein is not untrue or misleading at the time of publication, we make no representation as to its accuracy or completeness and it should not be relied upon as such. From time to time, the JV and/or any of their officers or directors may, as permitted by applicable laws, have a position, or otherwise be interested in any transaction, in any securities directly or indirectly subject of this report. This report is provided only for the information of professionals who are expected to make their own investment decisions without undue reliance on this report. Investments in capital markets are subject to market risk and the JV accepts no responsibility whatsoever for any direct or indirect consequential loss arising from any use of this report or its contents. In particular, the report takes no account of the investment objectives, financial situation and particular needs of investors, who should seek further professional advice or rely upon their own judgment and acumen before making any investment. The views expressed in this report are those of the JV's Research Department and do not necessarily reflect those of the JV or its directors. Akseer Research and Alpha Capital as firms may have business relationships, including investment--banking relationships, with the companies referred to in this report. The JV or any of their officers, directors, principals, employees, associates, close relatives may act as a market maker in the securities of the companies mentioned in this report, may have a financial interest in the securities of these companies to an amount exceeding 1% of the value of the securities of these companies, may serve or may have served in the past as a director or officer of these companies, may have received compensation from these companies for corporate advisory services, brokerage services or underwriting services or may expect to receive or intend to seek compensation from these companies for the aforesaid services, may have managed or co-managed a public offering, take-over, buyback, delisting offer of securities or various other functions for the companies mentioned in this report.

All rights reserved by the JV. This report or any portion hereof may not be reproduced, distributed or published by any person for any purpose whatsoever. Nor can it be sent to a third party without prior consent of the JV. Action could be taken for unauthorized reproduction, distribution or publication.

## Research Dissemination Policy

The JV endeavors to make all reasonable efforts to disseminate research to all eligible clients in a timely manner through either physical or electronic distribution such as email, fax mail etc.

## Analyst Certification

The research analyst, denoted by 'AC' on the cover of this report, has also been involved in the preparation of this report, and is a member of JV's Equity Research Team. The analyst certifies that (1) the views expressed in this report accurately reflect his/her personal views and (2) no part of his/her compensation was, is or will be directly or indirectly related to the specific recommendations or views expressed in this report.

## Contact Details



Akseer Research (Pvt) Limited  
1st Floor, Shaheen Chambers, KCHS block 7 & 8,  
off. Shahrah-e-Faisal  
T: +92-21-34320359 -60  
E: [info@akseerresearch.com](mailto:info@akseerresearch.com)



Alpha Capital (Pvt) Limited  
3rd Floor, Shaheen Chambers, A-4 Central Commercial Area,  
KCH Society, Block 7 & 8, Near Virtual University, Karachi  
T: +92-21-38694242  
E: [info@alphacapital.com.pk](mailto:info@alphacapital.com.pk)



www.jamapunji.pk