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KSE-100 INDEX: Bullish Momentum Meets Resistance at 90K

KSE100 – 89,993.96 (+1,047.98)

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TradingView

The KSE-100 index demonstrated solid bullish momentum during the week, hitting an intraday high of 90,593 in last session before closing slightly lower at 89,993.96, just below a critical resistance trendline around the big figure mark of 90K. This resistance line is a key trailing indicator to close above and continue the trend for new highs.

A breakout close above 90,600 could open the path to 95,550, aligning with the 261.8% Fibonacci extension level based on key points: 27,046 (March 26, 2020), 48,976 (June 14, 2021), and 38,135 (January 23, 2023).

On the downside, immediate support lies at the 89,125 gap from the last session, followed by key support at 87,380 and 86,520. The daily RSI is at 83.34, testing the high at 83.43 (Apr. 2024). Moving above would be a sign of renewed bullish momentum.

PSO: Gains Momentum; Breaks Key Resistance

Pakistan State Oil Company Limited. (PSO) – PKR 224.98



The stock regained momentum following a brief consolidation last week, breaking through the critical resistance at 218 (December 2023 peak) and closing with a 14.2% weekly gain. With a developing bullish potential after the recent breakout above 218 has set the stage for the next immediate target of 232.89 (August 2023 high), followed by a potential move towards 247.00, aligning with a triple-top pattern formed by highs from March, May, and June 2021. Key resistance to watch stands near 262.00, the February 2021 peak.

On the downside, the breakout level of 218.00 acts as immediate support, with the 207.00 gap from the last session as critical support. Maintaining above 207.00 is essential to uphold a positive sentiment, while a close below this level would wane on recent gains. We hold a positive outlook, suggesting accumulation with a revised risk level on a close below 207.

SNGP: Stock Struggles at Key Resistance

Sui Northern Gas Pipelines Limited. (SNGP) – PKR 75.07



The stock remains above its descending trendline but is struggling near a significant resistance zone between 73.80 and 75.20. It reached a high of 77.40 for the second consecutive week, aligning with channel resistance but facing rejection.

While broader developments remain bullish, a breakout above channel resistance around 77.00 is essential to test the January high at 81.50, with 85.39 as the next major resistance level before potential new highs. On the downside, key support levels are 74.70 and 72.10.

We maintain a hold stance and recommend waiting for a decisive close above 77.00 before considering further positions.

PTC: Cautious Optimism amid Profit-Selling

Pakistan Telecommunication Company Ltd. (PTC) – PKR 16.26



After a brief pause, the stock regained momentum, reaching a new high of 17.34 before profit-taking capped gains below the key 16.60 resistance level.

The trend remains bullish, with the stock trading above major moving averages on both weekly and daily charts, indicating a cautiously positive outlook. Accumulation on dips is suggested, with risk managed by a close below 14.00. In the near term, resistance is anticipated between 16.60 and 17.30, with potential upside targets in the 18.60 to 19.70 range.

OGDC: Bullish Channel Holds; Key Resistance Ahead

Oil & Gas Development Company Limited. (OGDC) – PKR 175.60



The stock successfully broke out above the tweezer top pattern from October 7 at 174.54 and surpassed 178.44 (April 2018), reaching a weekly high of 182.80. However, profit-selling in the last session limited gains, leading to a close at 175.60.

The stock remains within a bullish channel, with notable volume increases. Moving forward, fresh positions may be considered on a breakout above 179, with the next potential target at 191.33 (May 2017), aligning with the bullish channel's resistance trendline. On the downside, key support levels are at 174.50 and 164.00.

We maintain a cautiously positive outlook, suggesting accumulation on dips with risk defined by a close below 158.50, or buying on a close above 179.00 with a target of 191.30.

AICL: Strong Momentum Build Up; Key Resistance Ahead

Adamjee Insurance Company Limited. (AICL) – PKR 41.70



The stock recently corrected from its July 15 high of 39.90, finding support near 31.50 on September 30. After consolidating above the 100-week SMA, it regained strong momentum, posting a notable 26.4% gain on significantly higher weekly volume. The stock tested a high of 42.49, aligning with the 100-month SMA (41.94) and closing slightly lower at 41.70.

Looking ahead, a breakout above 42.50 is needed to unlock the next major resistance at 47.45, a double-top area previously tested in January 2020 and June 2021.

On the downside, immediate support is at 40.12 and 39.08, where a gap was left in the last session. We maintain a positive outlook, recommending positions on a close above 42.50 or on dips, with risk defined by a close below 39.00.

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