



Summarized Outlook:

- Monthly Trend: Doji Pattern Indicates Choppy & Indecisive Trading – Expected Range 37,300 | 39,700
- Weekly: Extremely Oversold Conditions and Monthly Supports Have Potential to Trigger Buying
- Daily Trend: Spinning Top With Impressive Volumes Indicate Setback For Bears – 37,800 is Key Point

Summarized Ranges:

As per Chart Patterns

Upside Potential: 37,200 – 37,600  
 Downside Risk: 36,900 – 36,500

As per Pivot Point Calculator

Supports: 36,725 – 36,320  
 Resistances: 37,403 – 37,676

**Outlook for The Coming Session (April 10, 2019):** A roller coaster ride was witnessed, where index bears tried to break another critical support (**Weekly Support Level 2**) but failed as soon after the first hourly closing, the volumes rolled in and selling pressure was defended by aggressive buyers who pulled the index back into gains and kept it in gains till end of session. The closing was with a *\*Spinning Top* pattern (*Refer to Chart / Candlestick Pattern Explanation on Page 2*), with bullish body while volumes were at the highest level since **March 5th, 2019**. All this concludes that now index is in the process of bottoming out, with **36,500 – 36,275** as a strong protective area. However, this would end up in a dead-cat bounce, if sustainability above **37,800** is not seen, with higher volumes.

First support is seen at **36,900 – 38,660** area, and index bears need to close an hourly candle below **36,650**, in order to expose **Weekly Support Level 2 @ 36,500 – 36,480** area, followed by the lowest level of last year at **36,275**.

**On The Upside...** Index needs to break **37,500** and close an hourly candle with impressive volumes, in order bring some excitement and put **37,880 – 38,050** on cards. While closing a session above **38,200** with higher volumes, would be seen as a big blow to bears.

**Outlook for The Week (April 08 to 12, 2019):** Since the week ending on **March 15, 2019**, the index remained under consolidation and with closing of previous 2 weeks with *Doji* it was confirmed that the bears were taking a breather, as during last week they attacked the charts so brutally that index was pushed to **Monthly Support Level 2** along-with **Monthly Range Bottom** zone. While fading volumes were another signal of continued nervousness from traders buyers, even at such low levels. During the past week, the index opened at **38,634**, which was lower than previous week's closing, went to as low at **37,307** and closed the week at **37,522**. While volumes from **KSE-100 Index Stocks** were at **279 Million**. Noting that the closing as well as the volumes were at their lowest for the year 2019, on Weekly Terms.

**Expected Levels for the Week:** Multiple support between **37,200 & 36,800** have potential to trigger aggressive short covering and buying, due to which a **Slingshot** effect based corrective move is on cards. This corrective move has potential put index above **38,200** area, during the coming week. While sustaining above **38,440** in session closing terms, would be calling further recovering towards **38,880 – 39,150**, where the corrective wave is like to be completed. **On The Flipside....** Failure to hold the critical support are at **36,800**, would be putting the index into a new bearish channel, where **36,200 & 35,800** would be the next immediate levels to watch out.



**Outlook for The Coming Month (April 2019):** As discussed in the previous Monthly Outlook, the *Spinning Top* pattern kept index under choppy and indecisive mode, while lack of participation narrowed the range. The Month of March 2019, was the first month since **August 2016**, where the benchmark of **40K** was not even tested, and during the month index saw a high of **39,955** and went to as low as **38,040** before ending the month at **38,649**. And if we look at the volumes, the stocks from **KSE-100 index** generated **1.46 Billion Shares**, the lowest monthly figure since **October 2018**. Closing of the month below **38,900** keeps bears on the front-foot, however, the *\*Doji* pattern (*Refer to Chart / Candlestick Pattern Explanation on Page 2*) suggests that it is going to be a very choppy, indecisive and thin ranged month ahead.

**Levels for April 2019:** Closing the month below **38,900** suggest that bears would remain in control, with **38,100 – 37,900** as their first target, while closing a session below **37,800 (Monthly Support Level 1)** would be pushing the index to a deadly and brutal bearish zone, where next immediate support would be lying at **37,300 - 37,100**, where bottom of the range for the month is seen. Noting that this is the region where multiple supports are lying and this is where buying support must be seen, in order to protect the market from a crash. If not, then be ready for **35,800 &** the expected support for the year 2019 at **34,000 – 33,800** area. **On The Upside....** Unless a week closes above **39,700**, the index is likely to remain under bearish pressure. However, surpassing the indicated resistance would be help it to sail in safe waters, with **40,550 & 40,700** as next immediate target range for the month.

*RSI is at 31, indicating that the Index is in Extremely Oversold Region.*

Support & Resistance Levels as per Pivot Point Calculator						
DAILY	Support 1	Support 2	Support 3	Resistance 1	Resistance 2	Resistance 3
	36,725	36,320	36,047	37,403	37,676	38,081
WEEKLY	Support 1	Support 2	Support 3	Resistance 1	Resistance 2	Resistance 3
	37,008	36,494	35,681	38,335	39,148	39,662
MONTHLY	Support 1	Support 2	Support 3	Resistance 1	Resistance 2	Resistance 3
	37,807	36,966	35,892	39,722	40,796	41,637

**Explanation of Candlestick Pattern(s) Used in This Report**

**\*Spinning Top:** Candlesticks with a long upper shadow, long lower shadow, and small real body are called spinning tops. One long shadow represents a reversal of sorts; spinning tops represent indecision. The small real body (whether hollow or filled) shows little movement from open to close, and the shadows indicate that both bulls and bears were active during the session. Even though the session opened and closed with little change, prices moved significantly higher and lower in the meantime. Neither buyers nor sellers could gain the upper hand and the result was a standoff. After a long advance or long bullish candlestick, a spinning top indicates weakness among the bulls and a potential change or interruption in trend. After a long decline or long bearish candlestick, a spinning top indicates weakness among the bears and a potential change or interruption in trend.

**\*\*Doji:** As the name suggests, the Doji indicates “Dodging” pattern or indecisiveness. The candlestick looks like a cross, or a “plus” sign, suggesting that neither the bears nor the bulls got hold onto the trend and closing was at or near the mid point.



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