



For March 09, 2010

Aiyaz M. Hassan

(92 21)111-222-000 Ext. 379

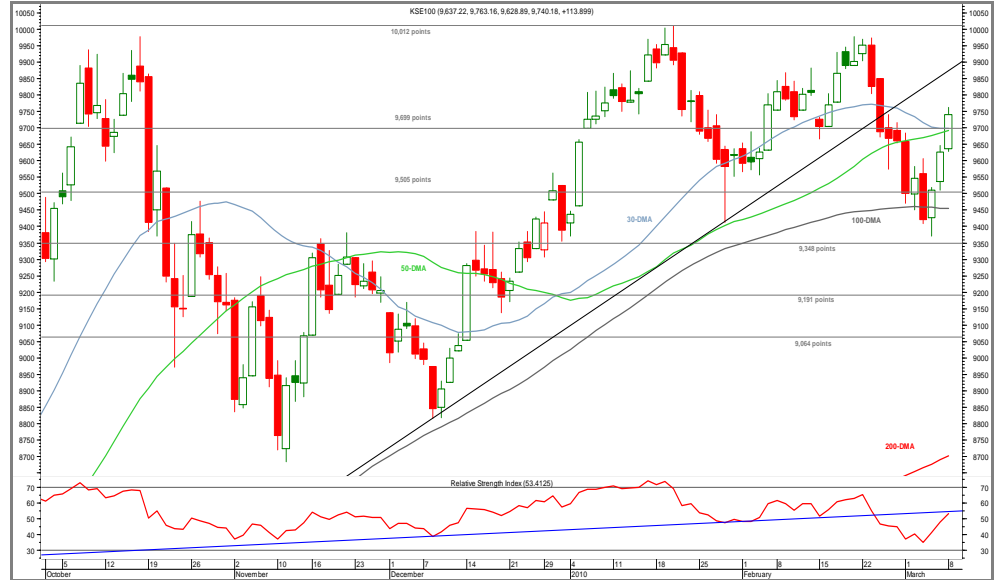
aiyaz.hassan@kasb.com

		Change
Open	9,637.22	10.94
High	9,763.16	136.88
Low	9,628.89	2.61
Close	9,740.18	113.90
Volume	174,310,981	10.87%

Date	8-Mar-10	Change
30-DMA	9,697.88	-1.25
50-DMA	9,693.50	8.15
200-DMA	8,701.86	12.81
9-D RSI	55.67	7.96
14-D RSI	53.41	5.61
25-D RSI	53.43	3.15

Date	5-Mar-10	Change
30-DMA	9,699.13	
50-DMA	9,685.35	
200-DMA	8,689.05	
9-D RSI	47.71	
14-D RSI	47.81	
25-D RSI	50.28	

KSE-100 Index: Uptrend To Continue As Indicators On Daily Chart Maintain Buy Signal Though Becoming Overbought



First support 9,680 points, second support 9,609 points; first resistance 9,795 points, second resistance 9,866 points

Analysis and Overview:

The index opened on a positive note and maintained a steady uptrend to close well into the green. Volumes showed an improvement of 10.87% and stood at 174.31 mln. The index managed to close above its 30-DMA and 50-DMA, which suggests that the uptrend is likely to continue. However, the alarming fact is that the 30-DMA is on the verge of cutting the 50-DMA from above, which is bearish as seen in the recent past.

The Stochastic Oscillator continues to rise is now rapidly approaching the overbought region. Moreover, the 14-day RSI is approaching its resistance trendline as well (blue line, lower portion). This suggests that there is limited upside in the index. As a composite, most of the index's key drivers have either become overbought or have created bearish formations.

The first support is at 9,680 points and the second support is at 9,609 points. The first resistance is at 9,795 points and the second resistance is at 9,866 points.

Intraday Graph



Synopsis

- PTC** Buy on Weakness
- PSO** Buy on Weakness
- POL** Sell on Strength
- OGDC** Sell on Strength
- PPL** Sell on Strength
- NML** Sell on Strength
- NBP** Sell
- MCB** Sell on Strength
- DGKC** Sell on Strength
- LUCK** Sell on Strength
- AICL** Sell on Strength
- FFC** Sell on Strength

This report has been prepared by KASB Securities Ltd. ("KASB") and is provided for information purposes only. Under no circumstances is to be used or considered as an offer to sell or solicitation of any offer to buy. While all 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 KASB and any of its officers or directors may, to the extent permitted by law, have a position, or otherwise be interested in any transaction, in any securities directly or indirectly subject of this report. This report is provided solely for the information of professional advisers who are expected to make their own investment decisions without undue reliance on this report and the company 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 accounts of the investment objectives, financial situation and particular need of individuals, who should seek further advice before making any investment. This report may not be reproduced, distributed or published by any recipient for any purpose. The views expressed in this document are those of the KASB Securities & Economic Research Department and do not necessarily reflect those of KASB or its directors.

Pivot Analysis

SCRIP	CLOSE	STRATEGY	S3	S2	S1	PIVOT	R1	R2	R3	Lower Limit	Upper Limit
ABL	64.16	Buy	59.31	60.65	62.41	63.75	65.51	66.85	68.61	60.95	67.37
AICL	124.67	Sell on Strength	119.28	120.56	122.62	123.90	125.96	127.24	129.30	118.44	130.90
AKBL	26.00	Sell on Strength	25.25	25.47	25.74	25.96	26.23	26.45	26.72	24.70	27.30
ANL	18.19	Sell on Strength	17.17	17.48	17.84	18.15	18.51	18.82	19.18	17.19	19.19
APL	357.62	Sell on Strength	340.40	345.19	351.41	356.20	362.42	367.21	373.43	339.74	375.50
ATRL	111.17	Buy on Weakness	101.47	103.41	107.29	109.23	113.11	115.05	118.93	105.61	116.73
BAFL	12.24	Buy on Weakness	11.84	11.99	12.11	12.26	12.38	12.53	12.65	11.24	13.24
BOP	17.93	Sell on Strength	17.07	17.36	17.65	17.94	18.23	18.52	18.81	16.93	18.93
DGKC	30.12	Sell on Strength	28.13	28.64	29.38	29.89	30.63	31.14	31.88	28.61	31.63
DOL	7.69	Buy on Weakness	7.06	7.23	7.46	7.63	7.86	8.03	8.26	6.69	8.69
ENGRO	183.74	Buy on Weakness	177.17	178.99	181.36	183.18	185.55	187.37	189.74	174.55	192.93
FABL	16.61	Buy	15.25	15.52	16.07	16.34	16.89	17.16	17.71	15.61	17.61
FCCL	6.21	Sell on Strength	5.69	5.84	6.03	6.18	6.37	6.52	6.71	5.21	7.21
FFBL	31.87	Sell on Strength	31.13	31.37	31.62	31.86	32.11	32.35	32.60	30.28	33.46
FFC	104.72	Sell on Strength	103.31	103.71	104.21	104.61	105.11	105.51	106.01	99.48	109.96
HBL	126.91	Buy	119.49	121.29	124.10	125.90	128.71	130.51	133.32	120.56	133.26
HUBC	34.16	Sell on Strength	33.37	33.57	33.86	34.06	34.35	34.55	34.84	32.45	35.87
ICI	163.10	Buy	156.73	158.37	160.73	162.37	164.73	166.37	168.73	154.95	171.26
KAPCO	46.24	Sell on Strength	42.71	43.48	44.86	45.63	47.01	47.78	49.16	43.93	48.55
LUCK	76.21	Sell on Strength	69.94	71.47	73.84	75.37	77.74	79.27	81.64	72.40	80.02
MCB	218.41	Sell on Strength	210.99	213.07	215.74	217.82	220.49	222.57	225.24	207.49	229.33
MLCF	4.06	Sell on Strength	3.72	3.80	3.93	4.01	4.14	4.22	4.35	3.06	5.06
NBP	93.04	Sell	91.24	92.02	92.53	93.31	93.82	94.60	95.11	88.39	97.69
NETSOL	29.72	Sell on Strength	28.40	28.77	29.25	29.62	30.10	30.47	30.95	28.23	31.21
NIB	4.51	Sell	4.30	4.40	4.45	4.55	4.60	4.70	4.75	3.51	5.51
NML	58.60	Sell on Strength	56.43	57.09	57.84	58.50	59.25	59.91	60.66	55.67	61.53
NRL	172.95	Buy on Weakness	157.86	160.90	166.93	169.97	176.00	179.04	185.07	164.30	181.60
OGDC	118.10	Sell on Strength	115.92	116.57	117.33	117.98	118.74	119.39	120.15	112.20	124.01
PACE	5.63	Sell on Strength	4.97	5.11	5.37	5.51	5.77	5.91	6.17	4.63	6.63
PICT	79.73	Buy on Weakness	73.11	74.44	77.08	78.41	81.05	82.38	85.02	75.74	83.72
PKGS	130.09	Buy	121.96	123.93	127.01	128.98	132.06	134.03	137.11	123.59	136.59
POL	237.91	Sell on Strength	233.44	234.97	236.44	237.97	239.44	240.97	242.44	226.01	249.81
PPL	192.44	Sell on Strength	188.89	189.95	191.19	192.25	193.49	194.55	195.79	182.82	202.06
PSO	303.54	Buy on Weakness	293.69	295.85	299.69	301.85	305.69	307.85	311.69	288.36	318.72
PTC	20.14	Buy on Weakness	19.40	19.57	19.86	20.03	20.32	20.49	20.78	19.13	21.15
SHEL	283.74	Sell on Strength	279.16	280.58	282.16	283.58	285.16	286.58	288.16	269.55	297.93
UBL	66.81	Sell on Strength	62.22	63.24	65.02	66.04	67.82	68.84	70.62	63.47	70.15

R1 = First Resistance
S1 = First Support

R2 = Second Resistance
S2 = Second Support

R3 = Third Resistance
S3 = Third Support

Glossary of Terms

- **Doji Star:** a *Spinning Top* which gaps above or below the previous candle. It is a reversal signal, which requires a confirmation from the next candle. If the Doji star gaps above the previous green candle, it is a bearish signal indicating a top and vice versa.
- **Dark Cloud Cover:** A long white candlestick is followed by a black candlestick. The black candlestick opens above the white candlestick's high and closes well into the white candlestick's body.
- **Inverted Hammer:** A candlestick with a long upper shadow and a small body formed in a downtrend. The long upper shadow and small real body at the bottom of the trading range are cause for concern by the bears. They wonder if this is the end of the downtrend and take measures to protect their gains. If the next day opens above the body of the Inverted Hammer, then expectations could be for shorts to cover and propel a reversal rally.
- **Bullish Piercing Line:** A bottom reversal signal. A red candlestick followed by a green candlestick that opens lower than the red candlestick's low, but closes more than halfway into the red body. The gap down on the 2nd day perpetuates the downtrend. However, the 2nd day's close is above the midpoint of the 1st day's body. This suggests to the bears that a bottom could be forming. The more penetration of the close on the 2nd day to the 1st day's body, the stronger the reversal signal.
- **Hanging Mar:** A small body (white or black) near the high with a long lower shadow with little or no upper shadow. The lower shadow should be two or three times the height of the body. It is a bearish formation during an uptrend.
- **Bullish Belt Hold:** A minor reversal signal, which adds strength if formed in conjunction with another bullish reversal formation. It is a formation in which a bottom of one candle is same as the open of the next candle.
- **Spinning Top:** a candle with a small gap, negative or positive, between the open and close. Spinning tops usually indicate a trend reversal, but require a confirmation from the next candle. If they are formed at the peak of a rally, they usually indicate a top and vice versa.
- **Engulfing Bearish Formation:** A small green candle followed by and contained within a large red candle. This is usually an indication of a top.
- **Engulfing Bullish Formation:** A small red body followed by and contained within a large green body.
- **Bullish Divergence:** occurs when prices reach a new low but an oscillator or RSI reaches a higher bottom than it reached during its previous decline. This is known as a Class A bullish divergences. Class A bullish divergences are often the best signals of an impending sharp rally.
- **Relative Strength Index (RSI):** The Relative Strength Index (RSI) is a popular oscillator used by traders. The name "Relative Strength Index" is slightly misleading as the RSI does not compare the relative strength of two securities, but rather the internal strength of a single security. A more appropriate name might be "Internal Strength Index." The RSI is a fairly simple formula, but is difficult to explain without pages of examples. The basic formula is:

$$RSI = 100 - \{100 - [1 + (U/D)]\}$$
 Where: U = an average of upward price change.
 D = an average of downward price change.
- **The Moving Average Convergence/Divergence indicator (MACD):** is calculated by subtracting 26-period exponential moving average from 12-period exponential moving average. A 9-period dotted exponential moving average (the "signal line") is automatically displayed on top of the MACD indicator line.
- **The Stochastic Oscillator:** is based on stochastic mathematics. It compares where a security's price closed relative to its trading range over the last x-time periods. The Stochastic Oscillator always ranges between 0% and 100%. A reading of 0% shows that the security's close was the lowest price that the security has traded during the preceding x-time periods. A reading of 100% shows that the security's close was the highest price that the security has traded during the preceding x-time periods. The Stochastic Oscillator indicates an oversold state below 20% and an overbought state above 80%.
- **Bollinger Bands:** is a type of envelope developed by John Bollinger. Bollinger Bands are plotted at standard deviation levels above and below a moving average. The moving average generally taken is a 20-DMA, while the standard deviation count is 2. This is a very good to gauge both the general direction and the volatility.

