BMA Weekly Technical Outlook



Report by:

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Best Brokerage House 2016 (Runner-up)
Best Analyst & Trader 2013 (Runner-up)

ASIAMONEY
Best Local Brokerage 2015
(Runner-up)

Financial Markets Association of Pakistan
Best Broker Money Market 2017
Best Broker F.Exch. 2014 (Runner-up)

PAKISTAN IPO SUMMIT 2018
Top IPO/SPO Book Runner Award
2016-17-18

KSE100: Weekly Market Map

KSE100 – Weekly Change



Source: BMA Research

KSE-100: Rebounds from Major Structural Support

KSE100 – Weekly Chart



Source: BMA Research

- The Benchmark Index staged a recovery during the outgoing week, gaining 2.48% week-on-week to close at 166,409. The index traded within a range of 161,250–167,483, rebounding from the critical horizontal support zone of 160,000–161,000 and reclaimed 50-week EMA, currently around 166,242. However, the index is still facing resistance from the descending trend line, keeping the broader corrective structure intact.

- The near-term outlook has slightly improved following this week's recovery, with 161,000–162,000 now acting as an immediate support zone, followed by the major support at 160,000. A sustained move above 168,000–170,000 would strengthen recovery momentum and pave the way toward 174,000, followed by 178,000–180,000. Conversely, failure to sustain above the 50-week EMA could renew selling pressure and expose the index to a retest of 160,000–161,000. For the upcoming week, traders should closely monitor the 167,000–168,000 zone, as RSI has recovered to around 45, indicating improving but still cautious momentum. A sustained breakout above the descending trend line would provide a stronger bullish confirmation; meanwhile, a selective approach with strict stop loss is recommended.

KSE100 – Daily Chart



Source: BMA Research

- On daily charts the KSE-100 Index recovered from recent lows & closed at **166,409**, but remaining below its descending trendline. The 14-day RSI has improved to **48.11**, indicating a recovery in momentum; however, sustained bullish confirmation is still awaited. Looking forward the **168,000–170,000** zone remains a key resistance area, and a decisive breakout above it could signal a resumption of the bullish trend toward **174,000–178,000**. On the downside, **161,000–160,000** represents immediate support, and a breakdown below this zone could expose the index to further weakness. Overall, the outlook remains **cautiously neutral**, with a sustained breakout above resistance needed to strengthen the recovery.
- **Strategy:** Investors are advised to adopt a selective approach, capitalize on stock-specific opportunities, and gradually build positions in fundamentally sound stocks near key support levels while awaiting a confirmed breakout above resistance.

Top Picks for the Week

Tariq Glass Industries Ltd. (TGL)- Daily Chart



Source: BMA Research

- Tariq Glass has formed a strong bullish reversal after consolidating within the 150–170 range for several weeks. The stock has recently broken above its consolidation resistance and reclaimed the 50-day EMA (165.19), indicating improving price momentum. RSI has also strengthened to 64.81, crossing above the bullish threshold of 60.

- The breakout outlook remains positive, with a sustained move above 172 expected to open the way towards 195, followed by 205. The previous breakout zone around 165–162 is likely to act as immediate support. A buying opportunity can be considered on sustained strength above 172, while a decisive close below 162 would invalidate the bullish setup.

Top Picks for the Week

Nishat Chunian Power Ltd. (NCPL)- Daily Chart



Source: BMA Research

- NCPL is trading at PKR 49.60 and is approaching a critical support zone of PKR 46–47, where the stock has previously attracted buying interest. The price action suggests a potential stabilization near the lower boundary of a falling wedge, while the 14-day RSI stands at 45.26, indicating a modest recovery in momentum. A sustained move above PKR 51–52 could improve the technical outlook and open the way toward higher resistance levels.

- Buying is recommended in the 48-50 Range with stoploss closing below 46 level. Upside targets are 55, 60 & 65 offering a good risk reward.

Top Picks for the Week

Wafi Energy Pakistan Ltd. (WAFI)- Daily Chart



Source: BMA Research

- WAFI is trading at PKR 160.44 within a **descending wedge pattern**, indicating the potential for a bullish reversal. The RSI stands at 56, reflecting improving momentum. A sustained, volume-backed breakout above PKR 165–170 could confirm the reversal and pave the way for higher levels.
- The recommended buying range is PKR 155–161, with upside targets of PKR 170, PKR 180, and PKR 190, while maintaining a strict stop-loss at PKR 150.

Glossary

Support: Support is the level at which the stock is likely to see increased interest from buyers. The buying support will prevent the stock from falling further.

Resistance: Resistance is the level at which the stock is likely to see increased interest from sellers. The selling pressure will prevent the stock from rising further.

RSI: The Relative Strength Index (RSI) is a momentum oscillator that ranges from 0 to 100. It compares the extent of the stock's recent price movements by evaluating recent gains and losses. Stocks with RSI above 70 could be considered overbought, and below 30 could be considered oversold. Generally, if the RSI falls below 70, it is a bearish signal. Conversely, if the RSI of a stock rises above 30 it is considered bullish. The RSI used is of 14 days.

MA: Moving Average (MA) is the average of the closing price of a security for a given period.

BETA: Beta is a measure of the volatility, or systematic risk, of a security or a portfolio in comparison to the market as a whole.

TARGET PRICE (TP): A Target Price is an estimate of the future price of a stock. Target prices are based on past price patterns and performance, and forecasts and assumed valuation in near-term.

STOPLOSS (SL): A stop-loss order specifies that a stock be bought or sold when it reaches a specified price known as the stop price. Once the stop price is met, the stop order becomes a market order and is executed at the next available opportunity. In many cases, stop-loss orders are used to prevent investor losses when the price of a security drops.

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Main Khushab Road, Near Allied Bank Limited,
Sargodha.
Tel: (048) 3767 817-18

Faisalabad Branch:
Mezzanine Floor, State Life Building #2,
Plot No. 833 Liaquat Road, Faisalabad.
Tel: (041) 2612261-5.

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Trust Plaza GT road Gujranwala.
Tel: (055) 3848501-05

Chakwal Branch:
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Talagang Road Chakwal.
Tel: (0543) 553850, 0543-543720,0543-543721.

Jhelum:
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Tel: (054) 4620594-97

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