Standard Capital
Securities (Pvt) Ltd

Technical Note

NOTE PREPARED · 23 JUL 2026

KSE 100 KSE 100 Index

PSX · DAILY

Close · Thu 23 Jul 2026: **171739.44** · **-1.54%** vs prior session (2026-07-22) · a support break puts the 200-day moving average and the zone below it in focus, with the prior resistance zone the reference on any rebound.

THE SETUP

The analyst notes that the **KSE-100** Index has decisively broken below the critical **173,500** support level, a threshold flagged previously. The read now points toward an extension of the decline toward the 200-day moving average, currently positioned around **169,800**. A failure to hold this support, per the analyst, could expose the market to further downside, with the next key level at **164,800**. On the upside, the analyst frames a rebound scenario in which the initial recovery would retest the previously identified resistance zone between **178,000** and **179,500**. The chart poses the question of whether the index stabilises near the moving-average reference or extends toward the lower level, versus whether a rebound merely retests the overhead zone before any fresh setup is confirmed.

LEVELS IN FOCUS

Resistance zone (upper bound) — **179,500**
The upper edge of the previously identified resistance zone the analyst is watching on a rebound

Resistance zone (lower bound) — **178,000**
The lower edge of the previously identified resistance zone the analyst frames as the initial retest area on a rebound

Broken support level — **at the line**
The level the analyst says has been decisively broken, a threshold flagged previously

WHAT TECHNICIANS WATCH FROM HERE

- **173,500** is the level the analyst says has been decisively broken: whether price stays below it on a close, rather than reclaiming it, is the first thing the structure asks.
- **169,800** is the 200-day moving average the analyst sees the decline extending toward: how the index behaves as it approaches this reference is the next signal.
- **164,800** is the next key level the analyst identifies if the moving-average reference fails to hold: it becomes relevant only if 169,800 gives way.

LEVELS IN FOCUS (CONT.)

200-day moving average reference — **~169,800**
The moving-average level the analyst sees the decline extending toward

Next downside level — **164,800**
The further level the analyst identifies if the moving-average reference fails to hold

WHAT TECHNICIANS WATCH FROM HERE (CONT.)

- **178,000 to 179,500** is the resistance zone the analyst frames as the initial retest area on any rebound from current levels: whether a bounce reaches and stalls there, or pushes through, is what the rebound scenario asks for next.

GENERAL CONCEPT · EDUCATION, NOT A VIEW ON THIS STOCK

Support Breakdown with 200-Day Moving Average Confirmation

A support breakdown refers to a situation where a price level that had previously held as a floor is decisively broken, meaning the decline continues rather than bouncing at that familiar level. Technicians often use a widely watched long-term average, such as the 200-day moving average, as a secondary reference point after such a break, because it reflects the average price over a long stretch of time and is commonly treated as a broad measure of the prevailing trend. When price approaches this average from above after breaking a support level, the question becomes whether the average acts as a new floor or whether the decline extends through it toward the next reference level below. On the other side, if price recovers from a decline, technicians often expect the initial bounce to run into a zone that previously acted as resistance, since that area may still contain sellers from before. Whether price stalls at that zone or pushes through it is what determines whether the recovery is more than a temporary bounce.