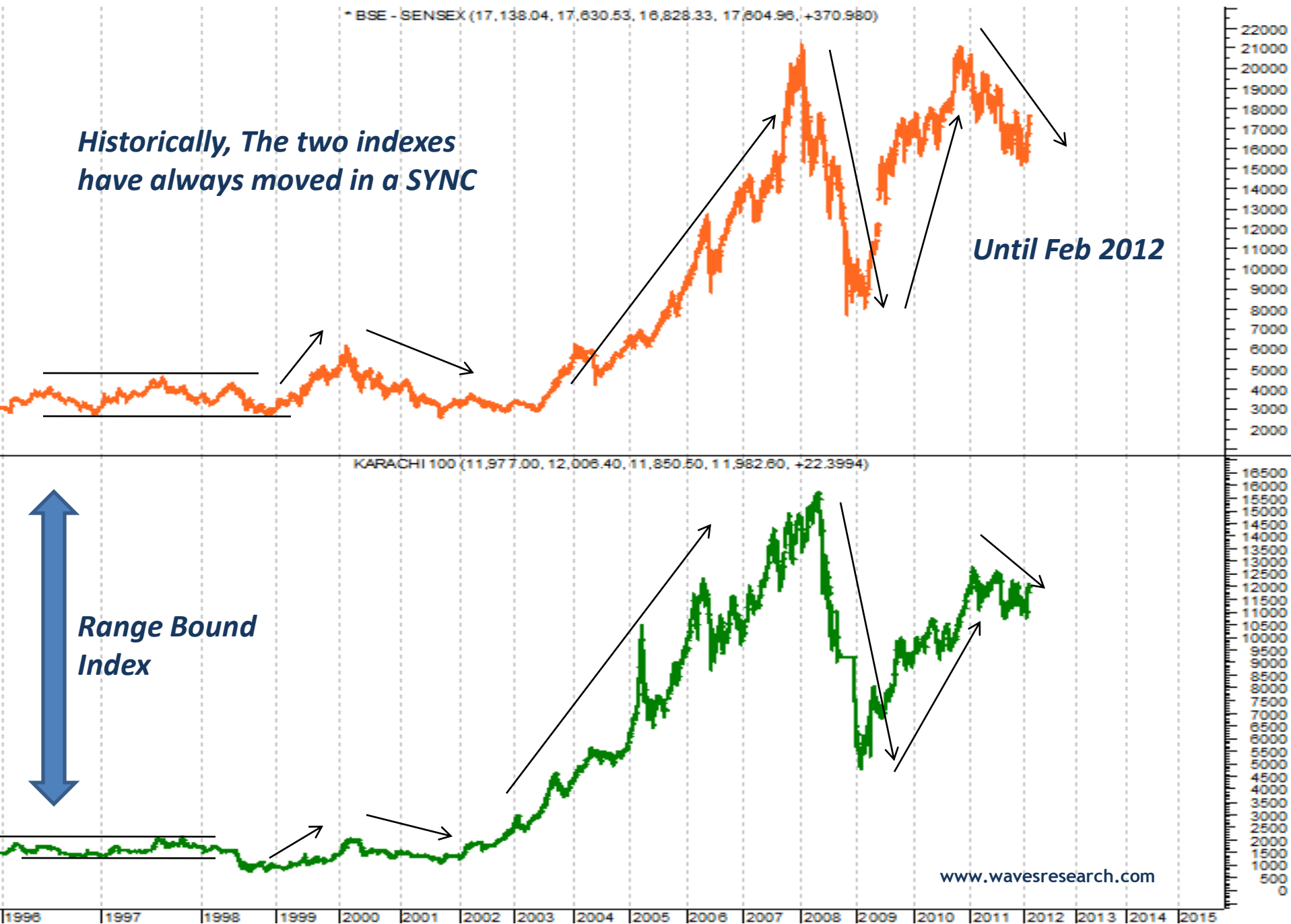




INDIA v/s PAKISTAN

The start of a Mega Bull Run





**FORMATION OF
DIVERGENCES**

**INDIA topped in
Jan 2008**

**India made
Double top
in Nov
2010**

**India bottomed
in Oct 2008**

KARACHI 100 (11,977.00, 12,006.40, 11,850.50, 11,982.60, +22.3994)

**PAK topped in
Apr 2008.....
3 months later**

**PAK made
a lower top
in Jan
2011**

**PAK bottomed in
Jan 20093 months later**



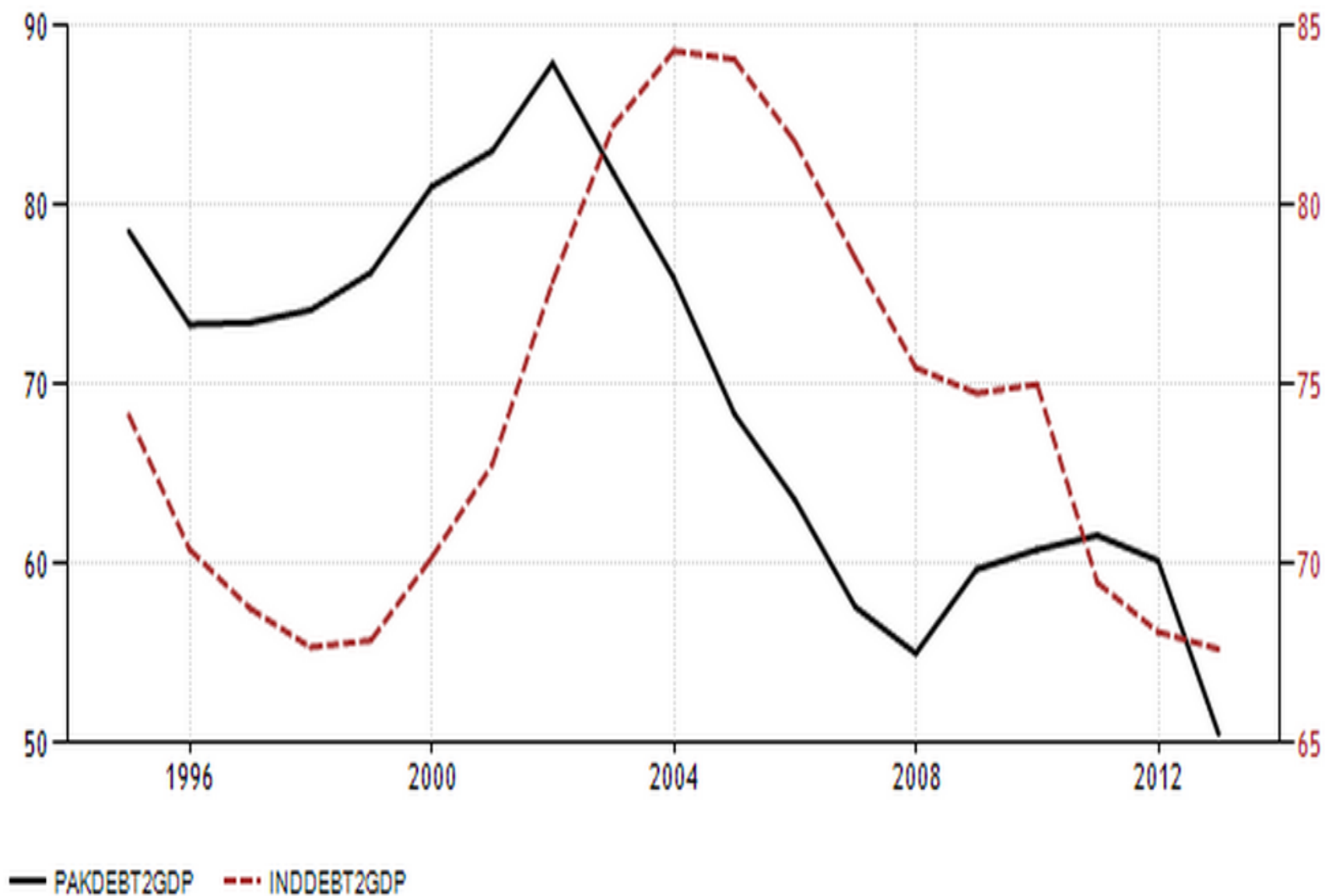
Structural Developments in Pakistan

The KSE-100 index hit a high on Monday 13th May, as the markets cheered the **first-ever democratic change in government in the country's history**. Pakistan has just experienced the first democratic change of government in its history as Nawaz Sharif sworn in as Prime Minister of Pakistan. It did so despite a violent campaign by religious extremists to derail the election. This violence targeted secular-oriented parties such as the ousted Pakistan People's Party (PPP).

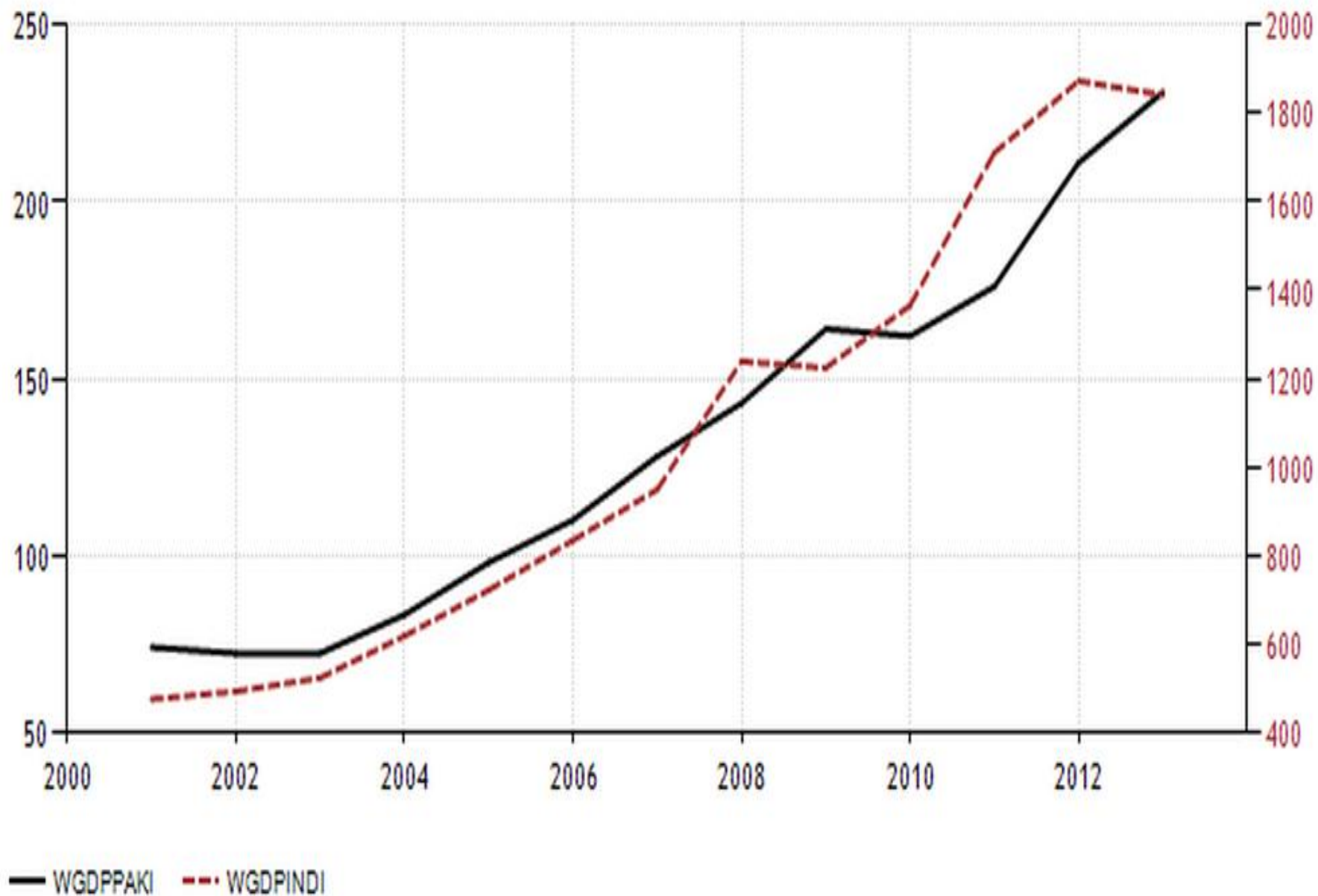
Pakistan and the International Monetary Fund agreed to a long-term bailout loan of at least \$5.3 billion that would give breathing room to the country's struggling economy

China and Pakistan signed an agreement July 5 that will create an "economic corridor" linking northwestern China to the Arabian Sea. The development projects committed under the eight memorandums of understanding (MoU) signed during Prime Minister (PM) Nawaz Sharif's visit to China and the establishment of a 'China Cell' at the PM's office to oversee the smooth execution of projects carried out by Chinese firms, are both hoped to give an impetus to the national economy. The bilateral agreements signed during the PM's five-day visit included a trade corridor featuring the 2000-kilometer road and rail link between Kashgar and Gwadar, the construction of the Lahore-Karachi Motorway and extending technical and political cooperation between the two friendly states.

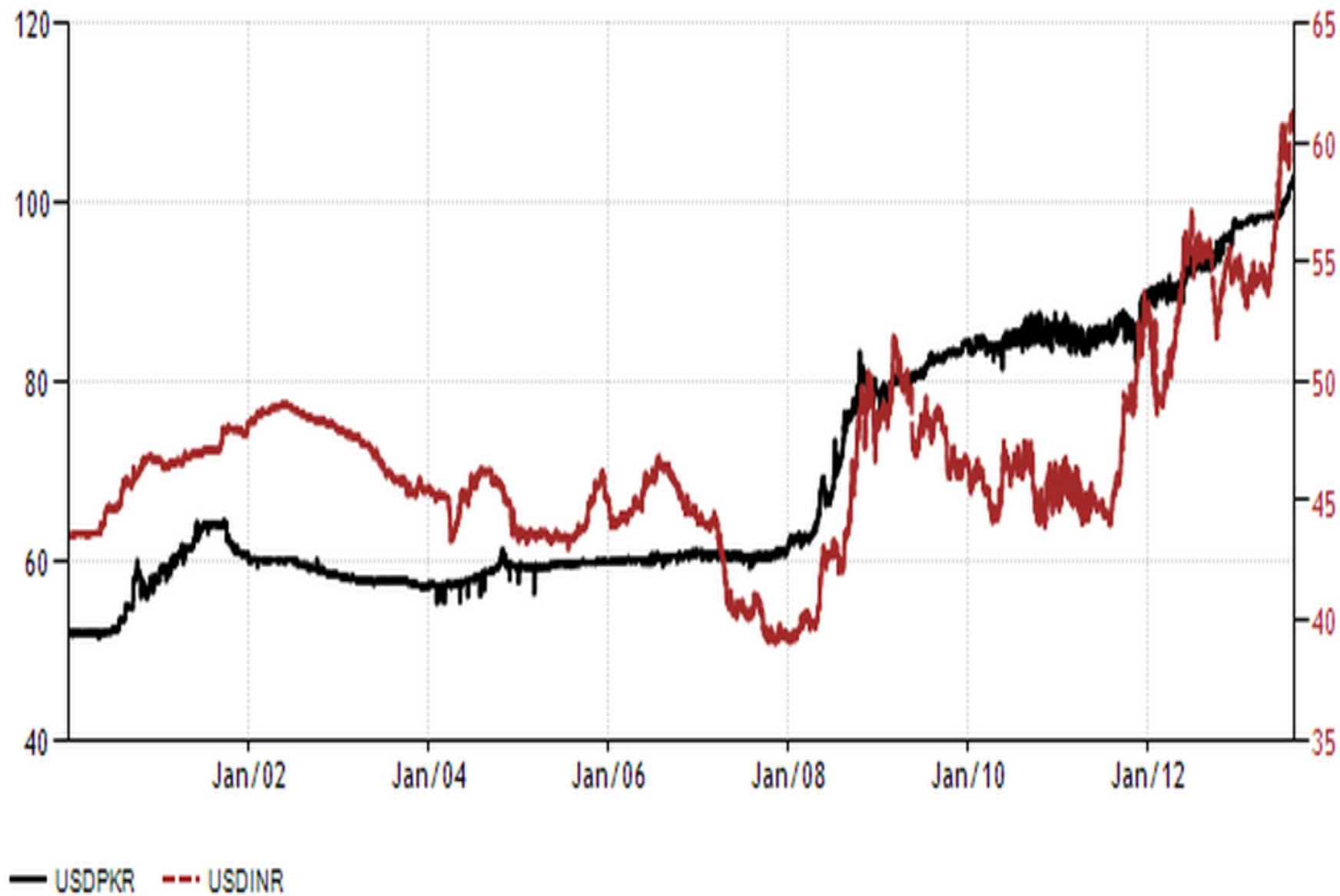
PAKISTAN GOVERNMENT DEBT TO GDP | INDIA GOVERNMENT DEBT TO GDP



PAKISTAN GDP | INDIA GDP



PAKISTAN CURRENCY | INDIA CURRENCY



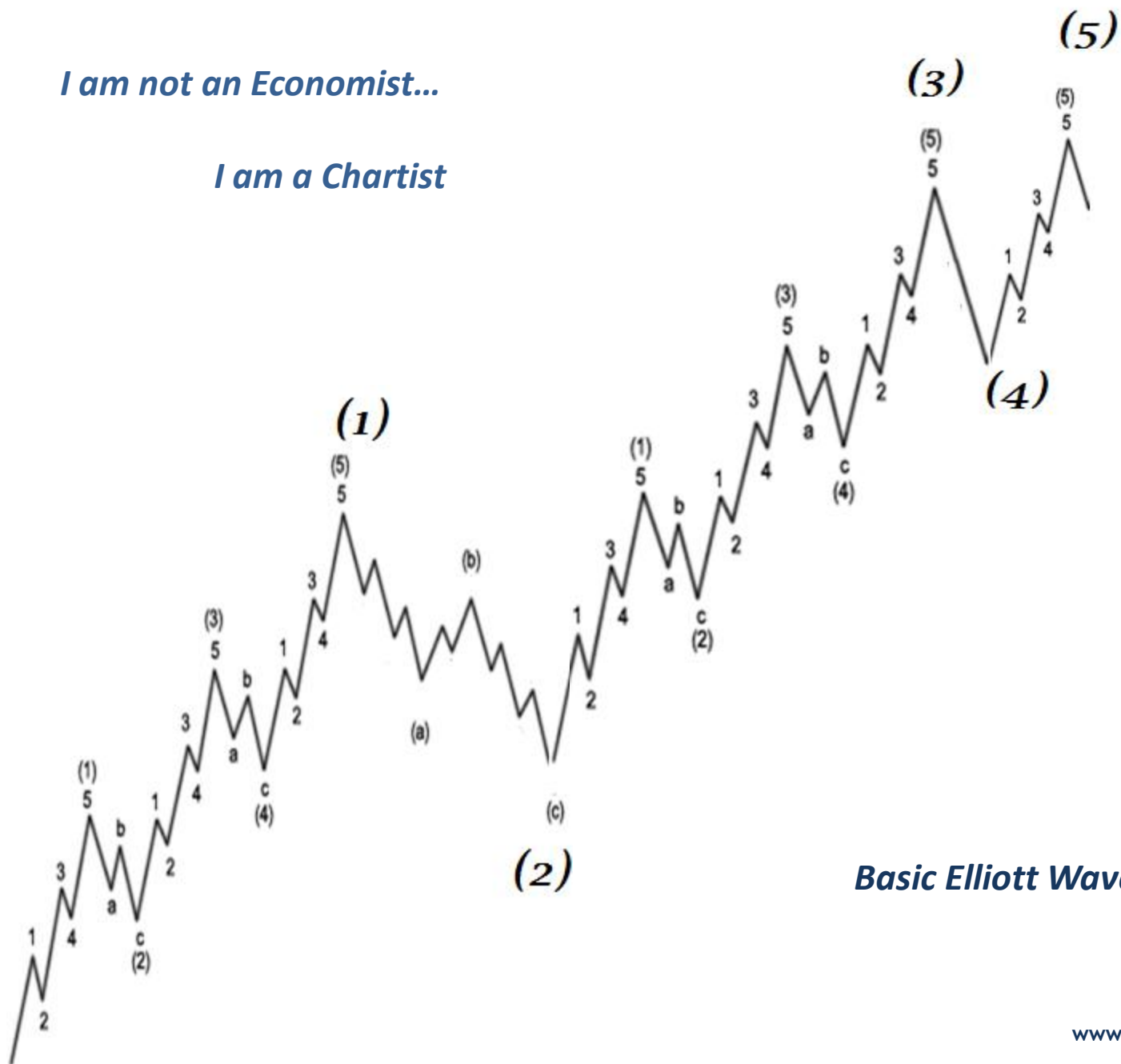
PAKISTAN STOCK MARKET | INDIA STOCK MARKET



— KSE100 - - - SENSEX

I am not an Economist...

I am a Chartist

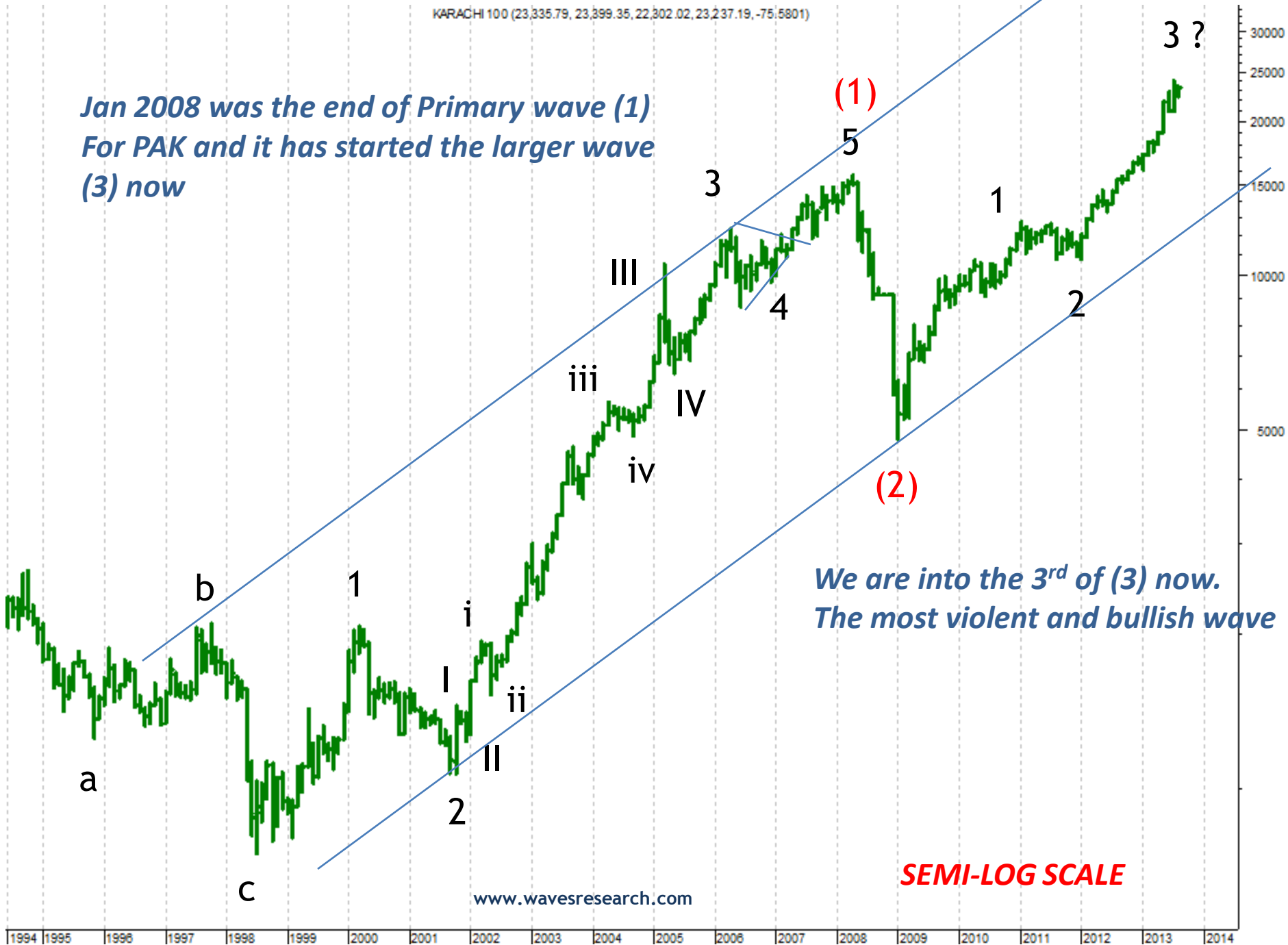


Basic Elliott Wave Impulse Pattern

*Jan 2008 was the end of Primary wave (1)
For PAK and it has started the larger wave (3) now*

*We are into the 3rd of (3) now.
The most violent and bullish wave*

SEMI-LOG SCALE



KARACHI 100 (23,242.88, 23,470.05, 23,194.86, 23,437.99, +200.801)

Arithmetic Scale Chart shows the real FUN !!!

The iii of 3rd of (3) Rally



iii ?

(1)

1

2

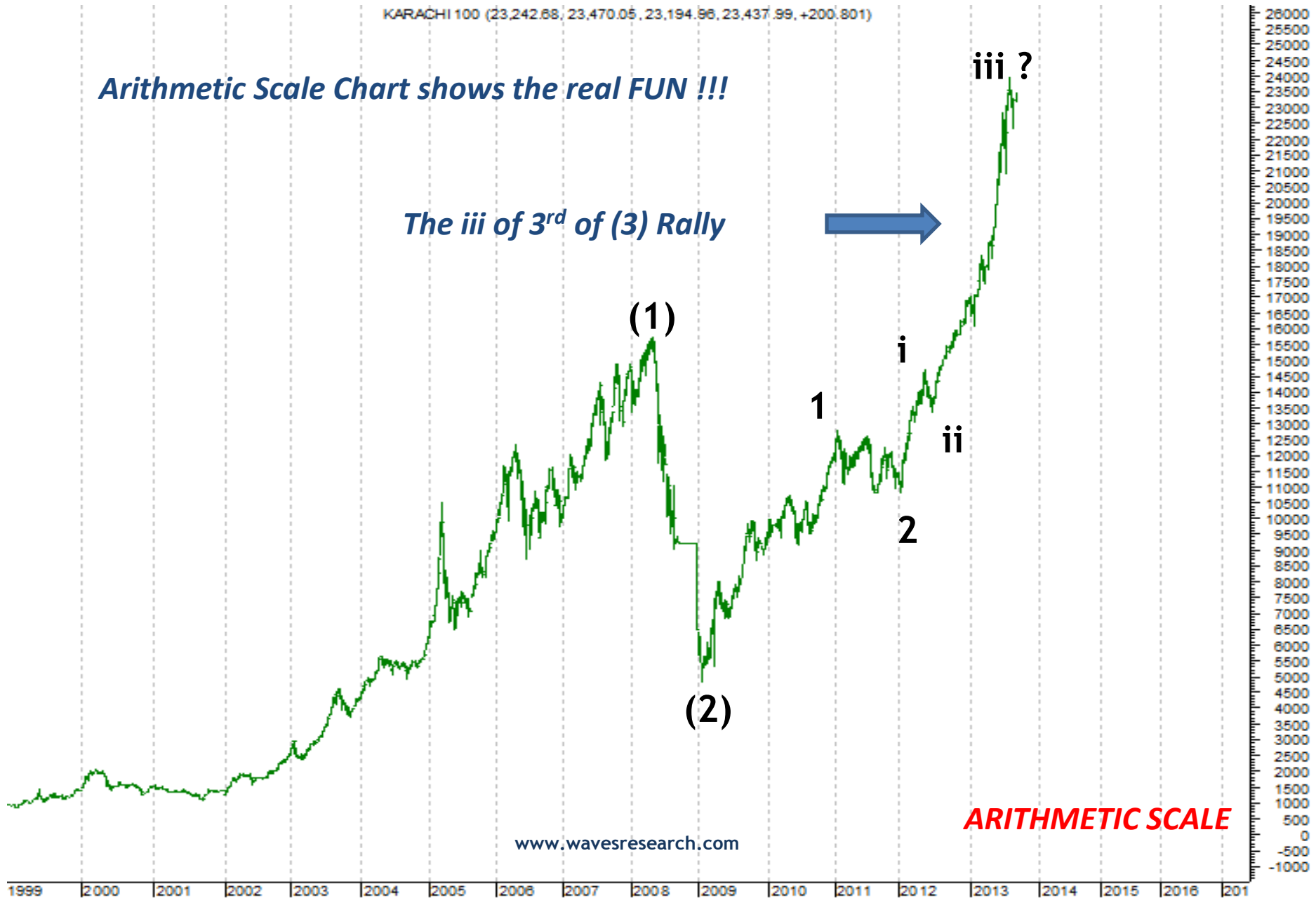
i

ii

(2)

www.wavesresearch.com

ARITHMETIC SCALE



*Awaiting the
iii of 3 of (3) !!!*



Conclusion

India and Pakistan have got independence together and the Financial Market structure all these years remained almost similar. Pakistan, post the historical Elections entered into an Era of Bull Market.

Whatever be the reason..for a chartist the price and the trend says it all !!! The momentum is highest ever in KSE100 Index and this rally has just begun.

However, India still has an edge over other developing countries economies & potential to outperform as we continue to remain in a structural bull Market that sooner or later will resume very strong uptrend.

*Whatever be the trigger, be it Elections next year or any macro developments. We shall have even better vertical Multi-Month Bull Market once we enter the **iii of 3rd of (3) !!!***

