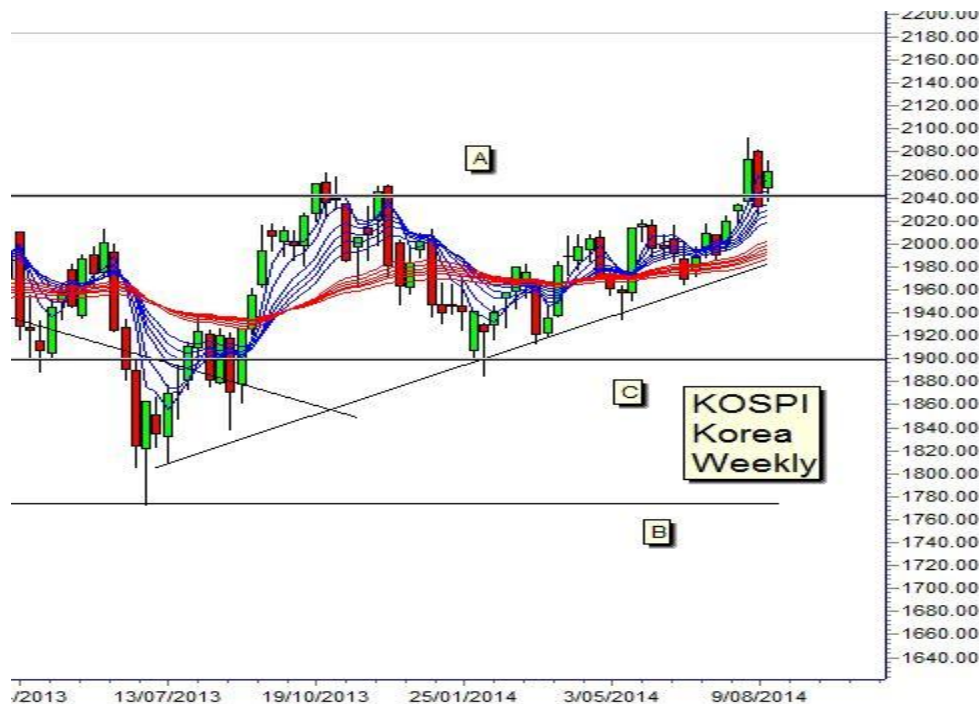


KOSPI, KOREA

By Daryl Guppy

The KOSPI rally has broken above strong resistance near 2040. This has been a very strong resistance level so this breakout is very significant. The upside target for the breakout is calculated using the width of the trading bands that have defined the KOSPI since 2011. The width of the band is projected upwards and gives an upside target near 2180.

The KOSPI has been a directionless sideways market for three years. This breakout is significant. This is now suitable for trend trading. Investors will trade the rebound from 2040.



SUBJECT SUMMARY

INDEX NOTES

Each week we carry index analysis notes for regional markets. These are the markets in Singapore, Malaysia, Hong Kong, Shanghai, Thailand, Taiwan and Korea. Each market is covered once every six weeks or more often if there are significant market developments. The objective of the notes is to provide an analytical, technical background to assist readers in making better trading and investment decisions.