

STI BREAKOUT FAILS

By Daryl Guppy

As expected the Straits Times Index was unable to break through resistance near 3300. We expect to see further consolidation near 3250 to 3300. The underlying trend shown by the long term GMMA is strong so we remain mildly bullish. The key factor is the ability of the STI to reach, and then move above and stay above this resistance line. This will confirm a bullish breakout.

