

# **STI, SINGAPORE**

*By Daryl Guppy*

The STI has broken above the significant resistance level near 3365. The next historical resistance level is near 3460. There is a high probability of consolidation this level. The long term GMMA shows steady support for the slowly rising trend. However the long term GMMA does not provide protection against STI volatility. The STI has dipped substantially below the long term GMMA on several occasions. The uptrend is defined with the uptrend line connecting the two spike lows. However this is not a reliable definition of the trend.

The general direction of the trend is up, but this is not a well-defined trend. This lacks of definition make it more suitable for short term rally based trading.

