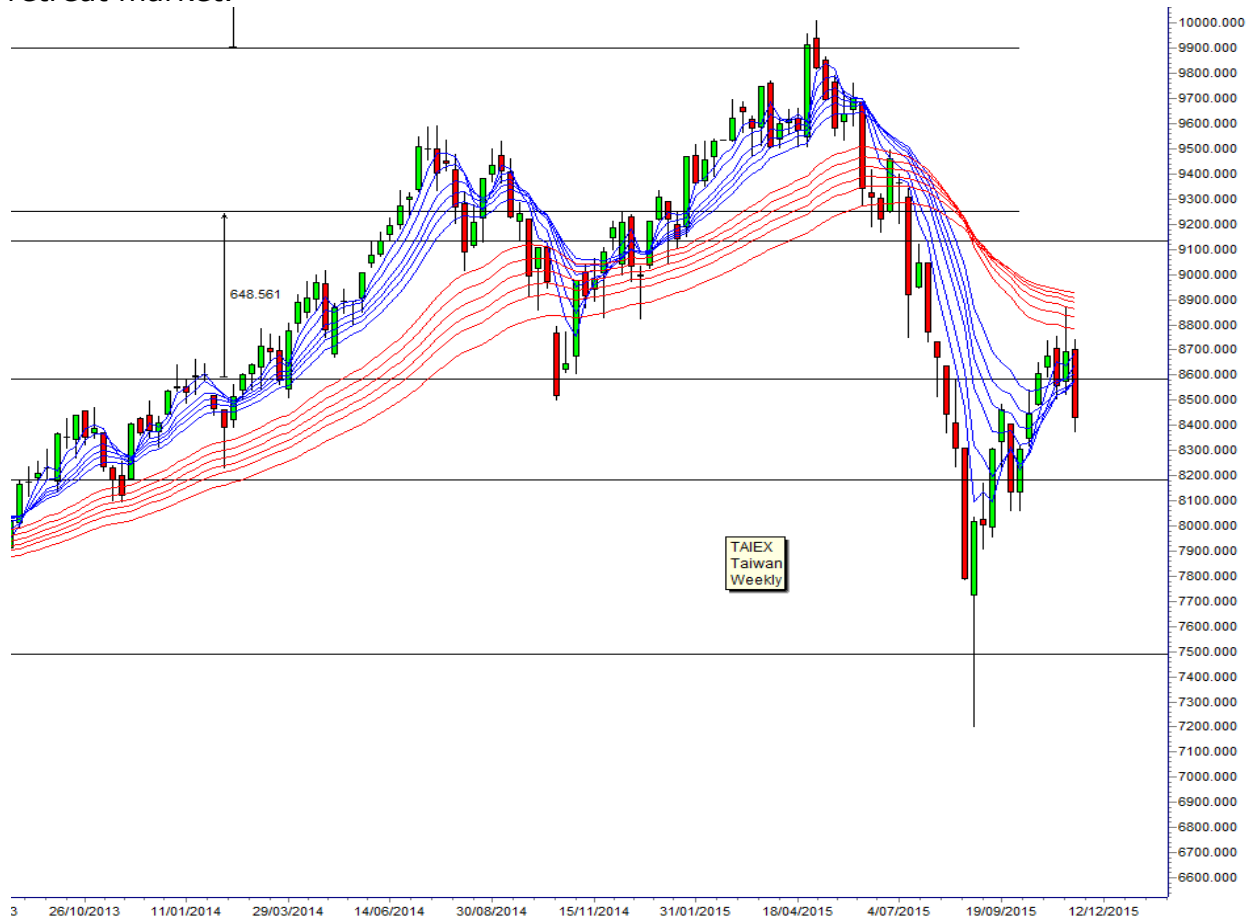


TAIEX, TAIWAN

By Daryl Guppy

The TAIEX rebound has been strong with a good move above resistance near 8200 to the next resistance near 8600. The close above this level found resistance from the long term GMMA. Near 8900.

Traders treated the as a strong rebound rally and took profits as the market moved below 8600. The rebound rally was not a trend change so traders expect a retreat and consolidation around the 8200 level. This is traded as a rally and retreat market.



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.