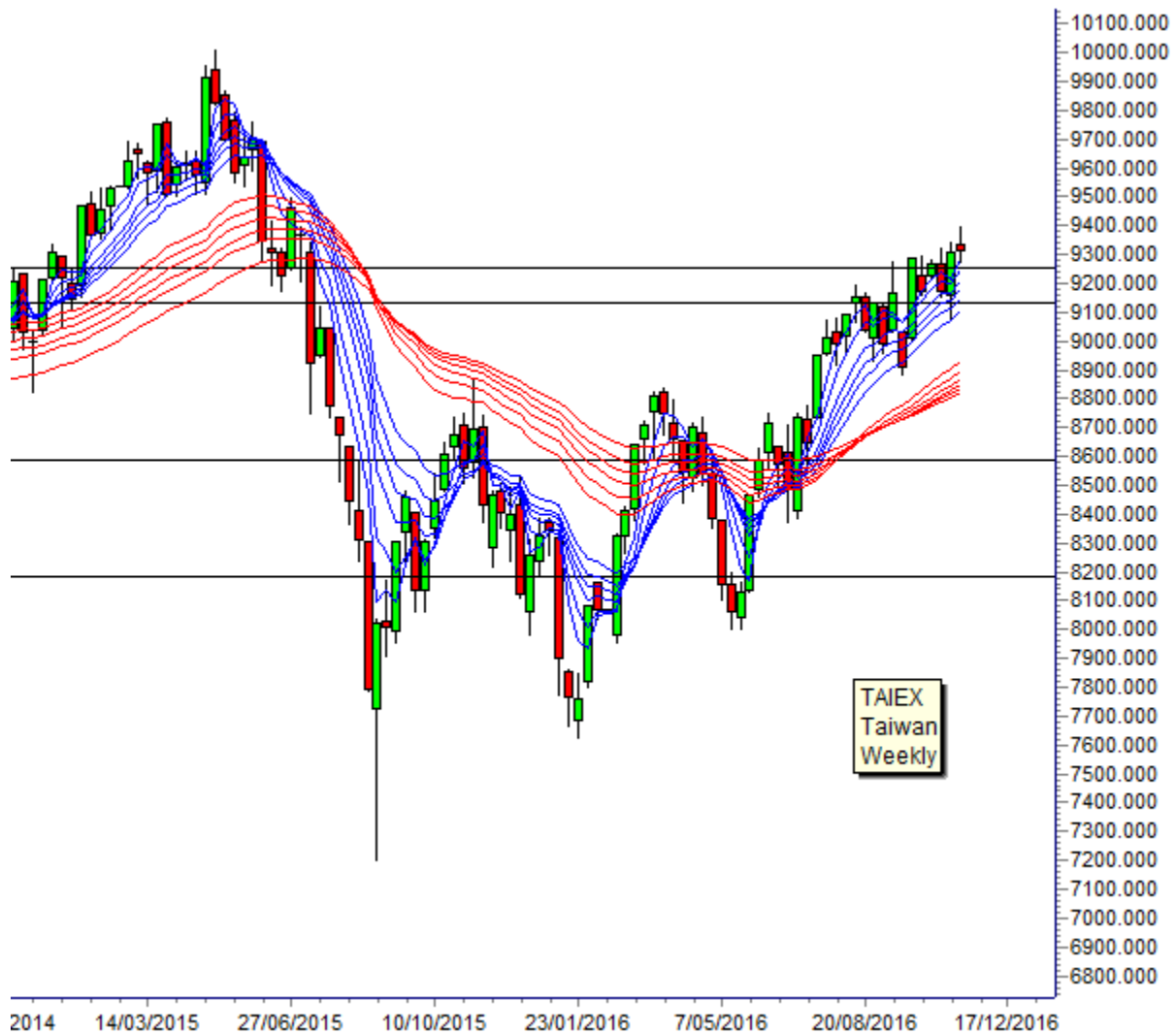


TAIEX, TAIWAN

By Daryl Guppy

This is one of the strongest markets in our region. The Tiaex has moved above the upside target resistance band between 9100 and 9250. It has tested the top of the resistance level and rebounded. This is a strong uptrend. The next upside target is near 9700 with a peak resistance near 9900. The rebound rally above 9250 remains well supported by the GMMA relationships. This has the characteristics of a trend continuation.

Support is near 9100 which is near the lower edge of the short term GMMA.



The key features on this chart are:

- The GMMA relationships. The long term GMMA has compressed, turned up and is expanding.
- The short term GMMA is well separated and has provided support for the rally consolidation.

Traders are watching for a continuation of the uptrend towards 9700.