

# **HANG SENG, HONG KONG**

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Hong Kong is not China, so the Hang Seng is not a proxy for the Shanghai Index. The Hang Seng behaviour is defined by well established support band resistance levels. On the current chart the key levels are at 19,000, 21,000 and 22,500.

The rally from 19,000 faces strong resistance near 21,000. This level has been tested frequently as a support and a resistance level. There is a high probability the market will retreat from 21,000. Traders watch for a consolidation near 21,000 and wait for a confirmed breakout above 21,000. The upside target for the breakout is 22,500.

A move above 21,000 is required to break the downtrend line. Traders are ready to go short on the Hang Seng. .

