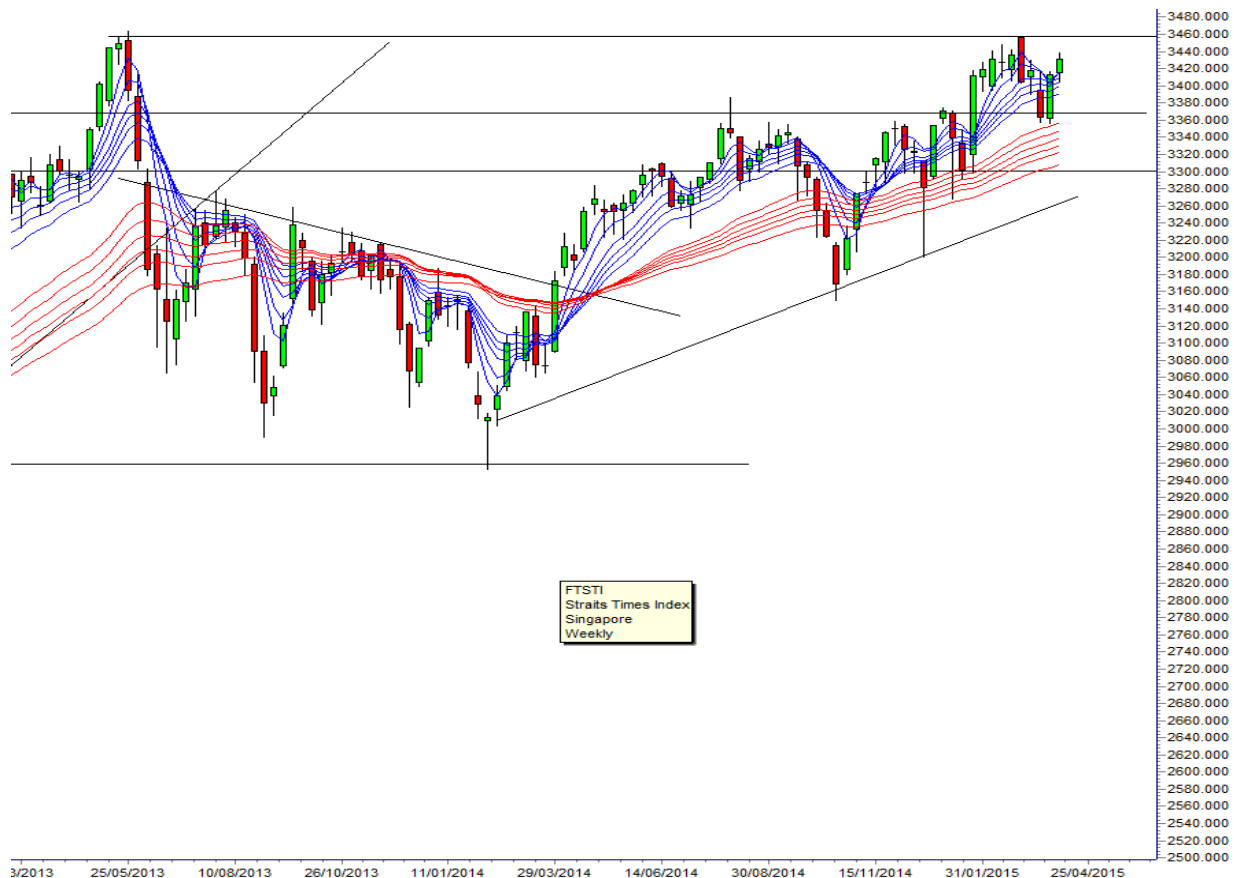


STRAITS TIMES INDEX, SINGAPORE

By Daryl Guppy

The Straits Times Index has developed trading band behavior. The trading band extends from support at 3300 to resistance near 3370. Then the next band is 3370 to 3460. This has the potential to create a step and stairway pattern of trend behavior. This is very strong trend behavior, but the STI must be able to move above 3460 to confirm this pattern.



The strength of the slow moving uptrend is shown by the wide separation in the long term GMMA. This shows good investors support although there remains some high volatility in the 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.