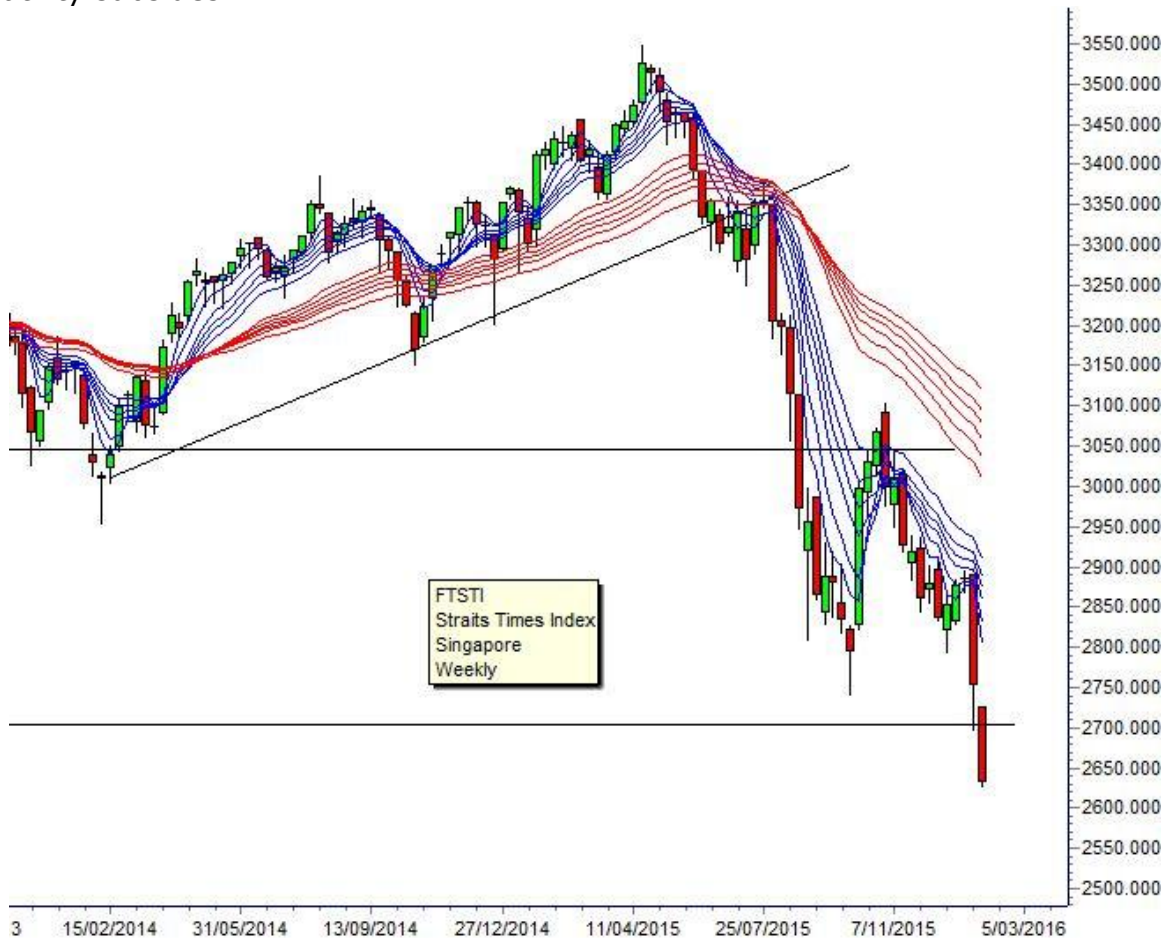


## **FROM BAD TO WORSE**

Why aren't we trading short? Volatility is the answer. The intra-day volatility just stops traders in and out of positions unless they place a very wide stop loss. Such wide stops face traders with a very difficult risk management proposition. In these conditions we simply prefer to stand aside from the market until intraday volatility subsides.



Support at 2700 has been tested and found wanting in the Straits Times Index. There is no end of downtrend pattern developing. The fall below 2700 has an initial support target near 2500.

The long term GMMA is well separated showing continued strong selling in this market. This is a severe downtrend where traders will short any rallies.