

Hyflux

Last Closing Price: \$2.77	Last Market Volume: 1.1m shares	52 Week Range: \$2.01 - \$3.77
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Rebound at key support suggests further recovery

Key support intact. Hyflux could see more upside after initiating a potential bullish reversal at the \$2.68 key resistance-turned-support and the lower boundary of its 20-month uptrend channel yesterday.

Indicators have turned bullish. With the RSI rebounding strongly off the 30% mark and the MACD indicator initiating a bullish crossover deep in the negative territory yesterday (see enlarged chart), these suggest that the upside momentum could be building up.

Initial resistance at \$2.90. We expect the recovery to test the initial resistance at \$2.90 (support-turned-resistance), breaking which, we see the next resistance at \$3.19 (key support-turned-resistance).

Immediate support at \$2.68. Meanwhile, \$2.68 becomes the immediate support, ahead of \$2.38 (various troughs in Aug and Sep '08) and \$2.04 (key resistance-turned-support).

Note: We currently have a fundamental BUY rating on Hyflux with \$4.19 fair value.

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Source: *thenextview.com*



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