

CHARTED TERRITORY

20 Jan 2012

Straits Times Index

Closing Value:	Last Market Volume:	52 Week Range:
2811.20	440m units	2521 – 3313

Strong rebound suggests a glimmer of hope

3-year uptrend support intact. The STI rebounded strongly from its 3-year uptrend line and initiated a bullish break above the upper boundary of its 9-month downtrend channel on increasing volume over the past three weeks.

More positive signs now. As such, these suggest that a major market crash could have been averted.

Vital resistance at 2910. However, until the key resistance at 2910 (key support-turned-resistance & 200-DMA) can be overcome, the index is still likely to see further sideways trading in the medium term.

Immediate support at 2700. On the downside, as long as the 3-year uptrend blue colored line (at around 2700 based on projection) remains intact, there is no cause for the concern of any significant downside moving ahead.



Source: nextview.com

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