

MITA No. 028/06/2007

2 May 2008

CapitaLand

Rating

NO RATING

Target Price

NA

Last Closing Price (S\$):

6.79

Last Traded Volume (m):

16.054

52 Week Price Range (S\$):

5.10 - 8.50

Stock:

CapitaLand Ltd

Stock Code:

C31

Bloomberg Code:

CAPL SP

Reversal in progress

- CapitaLand has been trading within an upward trend channel over the last 3 months. The price came close to the upper band of the trend channel but the momentum slowed and a reversal unfolded

- The reversal candlestick formation on 28 April was the 1st sign of a reversal ahead.

- The stochastic indicator falling out of the overbought region, coupled with the negative divergence displayed by the RSI, adds conviction to our price reversal expectation.

- We have observed that the sell-off in the previous trading session was on the back of high volume, suggesting the downward price move has strong momentum at this juncture.

- A pullback at this juncture would could push CapitaLand down to its immediate support around the 50 and 100-day moving averages, which is around S\$6.20 - 6.40. Should that level fail to hold, CapitaLand could attempt to test the support at the lower band of the trend channel.

- Any attempts of a move up in the near-term would face stiff resistance at S\$7.20, which was the recent high formed and also a high formed on 3 Dec 07.



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The analyst/analysts who wrote this report holds NIL shares in the above security.

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