

17th May 2012

TECHNICAL REPORT ON



STI



STRAITS TIME LEVELS

Support 1	2810
Support 2	2795
Support 3	2760
Resistance 1	2850
Resistance 2	2875
Resistance 3	2895

Figure: 1, Period: Daily

TECHNICAL VIEW

MARKET REVIEW

- Singapore stocks opened down 16.31 points to 2860.39. Growing fears over what a Greek exit might do to the euro zone mixed in with some weak corporate earnings for Singapore's biggest counters have build panic.
- The STI slid to a near 4 months low today. The local market lost 1.6 % as another day of Greek-inspired carnage enveloped Asia.
- Now STI looks technically weak as it dropped below the 2835 levels which is its 200 day Moving average.

MARKET FORECAST

- Today STI crossed its key support level of 2850 and 2835 which was its 200day Moving average and closed just below this level @ 2831.15 with loss of 45.55 points down by 1.60%.
- Now STI properly entered in the previous technical pattern flag and also breached its 200 day MA level of 2835.61. Now it looks more bearish and can touch the 2680 mark in coming days.
- STI formed a black long candlestick pattern called Black Opening Marubozu is a single candlestick pattern characterized by a long black body, a lower shadow and absence of upper shadow. It is a strongly bearish candlestick pattern.
- We can see in the chart that support line of flag touched below the 2680 mark and we can expect that STI on that level if future if it crossed its 2835 i.e. its 200 day MA level.

SUPPORT

- STI having nearest support @ 2810 level and below this level it can take support @ 2795 -2760 will be the support zone for STI.

RESISTANCE

- STI having Resistance @2850 and above this level it may take resistance @ 2875-2895 levels.

TECHNICAL INDICATORS

- Technical indicator MACD, stochastic and RSI looking negative.

Disclaimer

Investment in equity shares has its own risks. Sincere efforts have been made to present the right investment perspective. The information contained herein is based on analysis and up on sources that we consider reliable. We, however, do not vouch for the accuracy or the completeness thereof. This material is for personal information and we are not responsible for any loss incurred based upon it & take no responsibility whatsoever for any financial profits or loss which may arise from the recommendations above. The stock price projections shown are not necessarily indicative of future price performance. The information herein, together with all estimates and forecasts, can change without notice. We does not purport to be an invitation or an offer to buy or sell any financial instrument.