

Market Timing **21 September 2009**

Hold, but wait for breakout, to add positions.

We are at the critical crossroads at the barrier in chart A. If there is a breakout above the barrier, the upside will be significant, and may take us to the 800s level; but, if the SET backs down from the resistance, it will be a warning of the bear market, which may last for at least a few months. So far, the odds are still positive, based on the global trend, as in the breakout in the Hong Kong market; but, in terms of strategy, limit exposure, and wait to add to that only after the signs of the likely breakout.

The sign of the likely breakout, is when the Dow can close above this week's barrier at 9,855-,9910, together with the SET energy index closing above this week's barrier at 17,170-17,343, and the SET ICT index closing above 84.08. The bank sector is important, but there is no clear breakout line at this point, to help supplement the strategy. But, the odds are positive for the bank sector, as discussed earlier, as related to the Hang Seng, the S&P Bank index, and the Bank of China. As to the stoploss line, because we are at the critical crossroads, the stoploss signal will be alerted to, if it occurs, in the update.

On looking at the bellwethers, the picture is basically the unchanged. Wait for the market breakout, after the breakouts seen in BBL and SCC; and, the coal stocks are breaching the barriers, as shown in chart B. Also use the observation point based on the SET50, as shown in chart C. In the bank sector, TISCO, SCIB, KK, TCAP, and ACL are regaining strength, as shown in chart D.

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Resistances are 719, and 725, supports at 702, and 698.

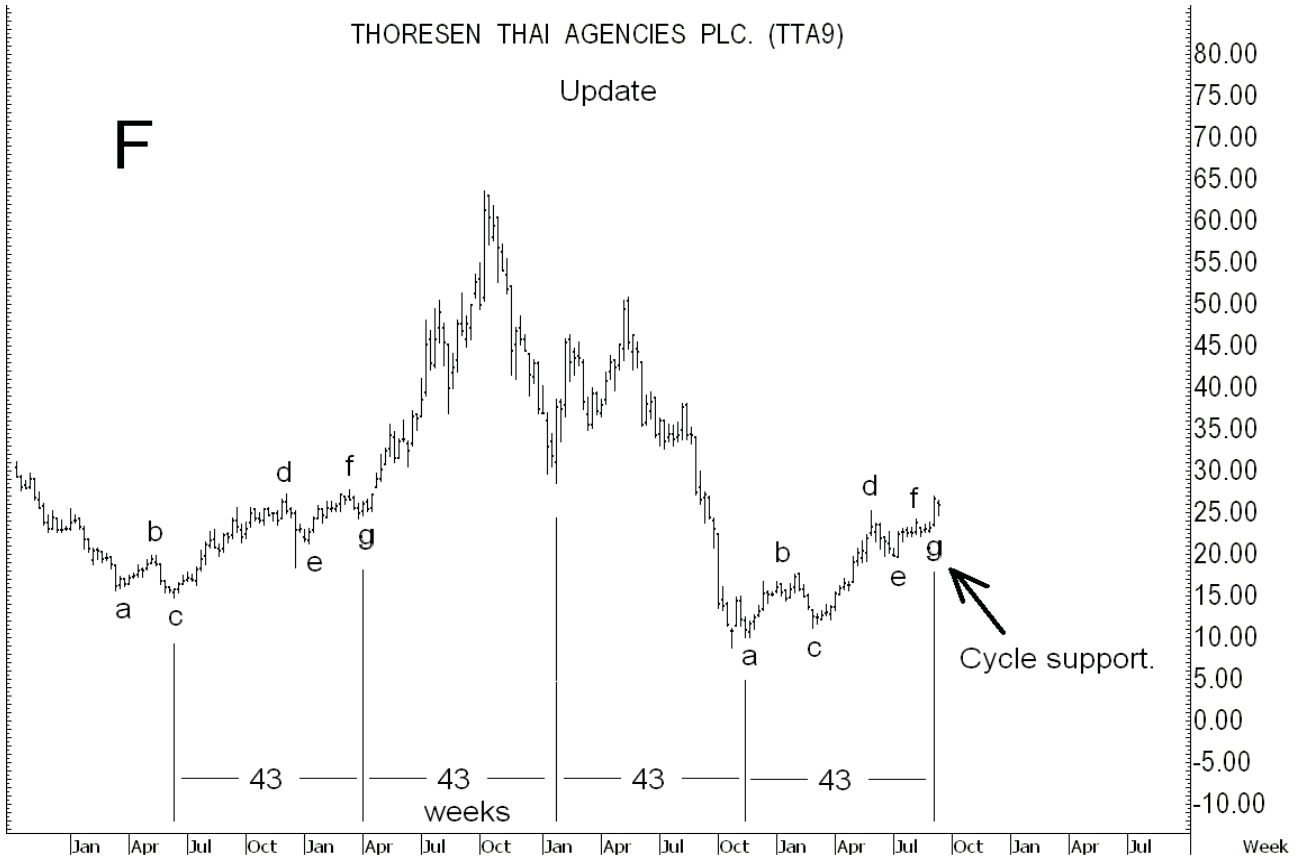


Updating the sectors, the Commerce sector is breaking out, and should head higher as shown in chart E, led by CPALL. If CPALL goes above 19.50, the upside should be 22-22.20 or higher. Also showing the upside potentials are ROBINS, HMPRO, SINGER, and MAKRO (especially if the trading goes above 76), which will be updated in the intraday alert. In the Transportation sector, the shipping stocks may have found the cycle support, as shown in chart F (more details on the inside).

On notable individual stocks, and aside from the breakout of the MAI index, keep an eye on the SET IMM sector. If GSTEEL goes above 0.60-0.62, the upside may be 0.84 (can be volatile, if falls below 0.49). If GJS goes above 0.32, the upside may extend to 0.38 or higher. If TCJ goes above 3.98, the upside should be 4.90-5.00 (stop loss, if closes below 3.60). Updating NWR, if the rebound can go above 0.53, the upside may extend to 0.75, as shown in chart G. If SGP goes above 8.65, the upside may extend to 9.4-9.5 or higher (stoploss is on closing below 8.00). Other notable stocks may be found in the intraday e-mail or e-trade alert.







Recommended stocks ...

- On some stocks which start to deviate from the expected bullish pattern, we may ask you to get out near the breakeven point, or slightly lower, even if there is no decisive stop loss signal. At KSecurities, we don't leave you, we track and update our recommendation until the position is closed.

Medium term trading.

- TICON, selling will be updated.
- SHIN, selling will be updated.
- THAI, hold after taken some profit.
- BAY, selling will be updated.
- IT, moved from hi risk hi return trading.

Hi risk hi return trading.

- PTL, selling will be updated.
- TRUE, hold, after already took some profit.
- LOXLEY, selling will be update.
- KK, selling will be update.
- SCC, selling will be update.
- SCIB, hold, after already cut loss by half.
- MCOT, selling will be updated.
- CPF, selling will be updated.
- CCET, selling will be updated.
- MAJOR, hold, after already cut back.
- GFPT, selling target will be updated.
- PTTCH, hold after already took some profit.
- PTTAR, hold after added position.
- TTA, selling target will be updated, after added to position.
- QH, hold after taken some profit at 2.14.
- TVO, selling target will be updated.
- BANPU, hold, after added to position.
- TSTH, **aim to take some profit at 2.20. (adjust from 2.08)**
- TPIPL, hold, after added to position.
- STA, hold, after already cut back by ond half.
- BBL, selling will be updated.
- PTTEP, selling will be updated.
- PTL, selling will be updated, **stoploss if < 4.94 .**

Buy on breakout.

- TIPCO, selling will be updated.

