

Market Timing

27 January 2010

Stay on sideline, as Asia Pacific tests support.

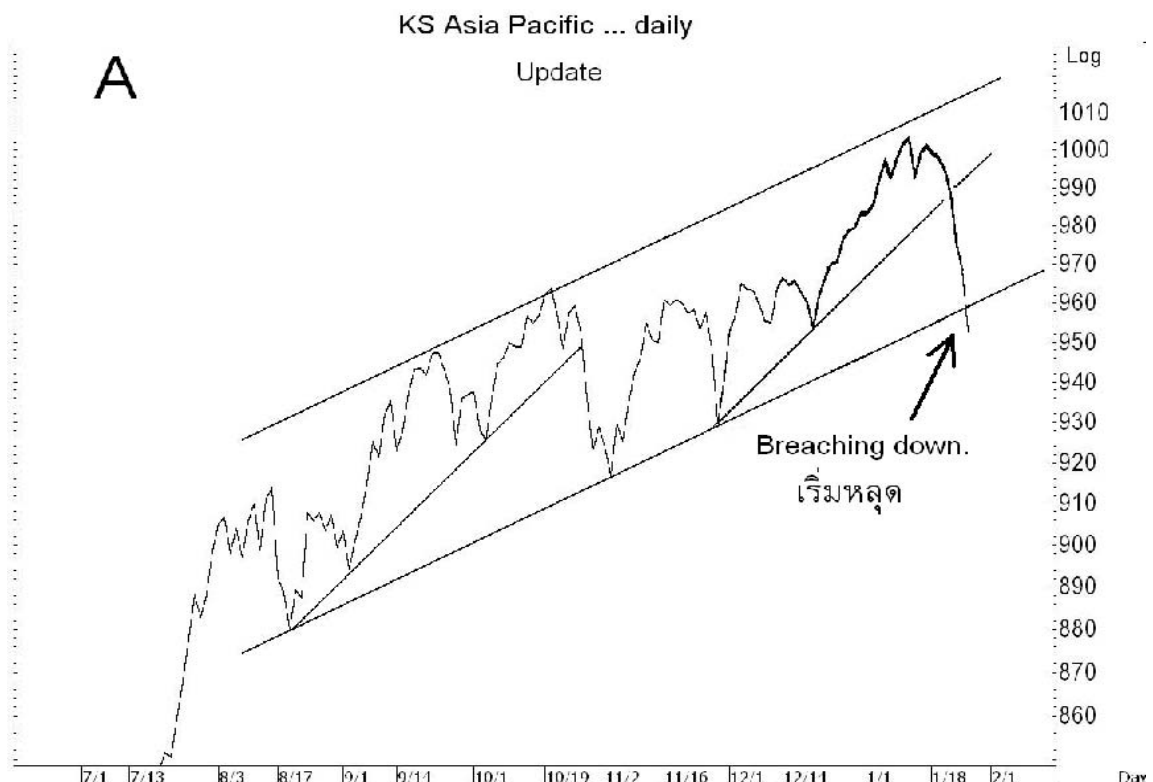
The Asia Pacific is testing the support, as shown in chart A, and is beginning to breach the support, which may coincide with the support for the SET at around 700, as shown in chart B. Therefore, there is no buy signal yet, at the support. Stay on the sideline for now, because the situation is still risky, based on looking at a number of the Asia Pacific markets, as discussed below. Also, the Dow already fell below the key support in chart C.

On looking at the Asia Pacific, note the downside of the Nikkei in chart D. The Taiwanese market is backing down from the medium-term barrier in chart E, and the Taiwan weighted index may head down to the support at 7,470 and/or 7,200. The Korean Kospi index is breaching the support, and may head down to 1,590. Overall, the situation is still risky, and we should wait and see.

On another side of the big picture, the Chinese market has slightly breached below the support in chart F; and, if the Shanghai composite index falls below 3,000, the index may head down to 2,920 and/or 2,700. On the measure to control the banking activity in the US, that may continue to put pressure on the US market, and will be updated.

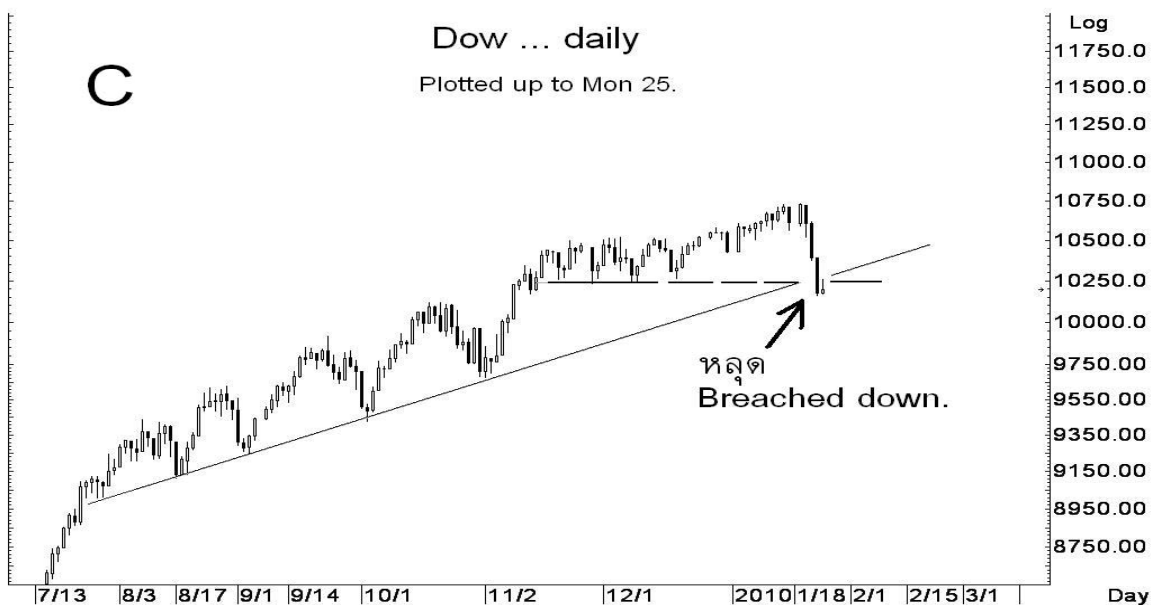
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Resistances are 707, 712, and ?. Supports at 700, 697 and 688.



In the Thai market, apply caution that the Bank sector, which is trying to rebound, may be not out of the woods. In particular, if the Bank index falls below the 275 level in chart G. And, on looking at the cycle, there is the risk that the Bank sector may be down until mid February, possibly until slightly after the Chinese New year. Also note that TRUE, which is one of the most-active stock at this time, and which becomes an important pointer for the SET, may go down to 2.72 and/or 2.44-2.40

On looking at some notable stocks which are still resilient, if DSGT goes above 8.90, the upside may extend to 10-10.20, or higher (can be volatile, if falls below 8.25). If IT goes above 6.85, the upside may be 7.2-7.4 or higher (apply caution, if falls below 6.50, intraday). KSL may be regaining strength; watch the outcome at the 15.30-15.50 (apply caution, if falls below 14.30, intraday). Other stocks may be mentioned in the intraday e-mail and e-trade alerts.







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.

Buy on breakout

- KCE, selling will be updated.
- TRUE, position closed.
- PRIN, position closed.
- CPN, position closed.
- TRU, hold after take some profit.
- CPALL, selling will be updated. **(Stop if intraday 23.30)**
- STA, selling will be updated.
- BBL, hold after take some profit.

Hi risk hi return trading.

- CMO, sell.
- PTTCH, hold after take some profit.
- CK, sell.
- STEC, position closed.
- CPF, hold after added position, aim to take some profit at 12.50.
- GFPT, selling target will be updated.
- TVO, sell.

Long-term trading.

- CRANE, sell.
- PDI, cut loss.
- PS, aim to take some profit at 19.4.
- TIPCO, position closed.
- WORK, selling will be updated.
- SPPT, selling will be updated.

Gap trade

- DSGT, hold after taken some profit.

Buying on Weakness, or after rebounding from oversold

- TTA, sell half of the position.
- PTTEP, hold after take some profit.
- PTTAR, sell the reset, if < 24.40, intraday.
- TASCO, selling target will be updated.
- EGCO, sell.

Continue below ...

Top Most Active

Stock	Support	Resistance	Comment
PTT	219-218 & 211	227 & 230	Apply caution, if falls below 219-218, may go down to test 206 or lower.
BANPU	536 & 516-500	564-568 & 578	Apply caution on zigzag down to test 516-500 support especially if falls below 548 and 536.
PTTEP	131 & 129-128	137.50 & 139-140	Too risky to trade, and may go down to test 129-128 and/or 125.50.
SCB	79	82.75 & 82.50	Can trade on 2H basis, to aim for 85.50 or higher, with intra-day stoploss line at 79.00.
PTTCH	73.50 & 72.50	76.50-77 & 78.50	Looks risky, may go down to test 73.50-72.50 or lower.
PTTAR	24.40 & 24	25.50 & 26.25	Hold, after cut back more, but sell the remaining position if intraday < 24.40. Because may go below 24 to test 22.70 or lower.
TMB	1.27 & 1.23-1.22	1.31 & ?	Looks risky, and may go down to test 1.23-1.22, which does not look like a strong support.
CPF	11.80 & 11.30	12.20 & 12.50-12.60	> SET, but may be volatile to test 11.80 &/or 11.30 especially if cannot go above 12.20.

A = Bullish

X = Bearish

2H = Hi risk hi return

B/O = Breakout

> = Stronger than

< = Weaker than

OB = Overbought

OS = Oversold

St = Short-term

Mt = Medium-term

Lt = Long-term

Blt = Beacon, lettuce & tomato

NZ = neutral zone is a level where entry can be made. And if things don't go well, an exit can also be made near the entry price.

Source: KSecurities

Disclaimers

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