

19 October 2006

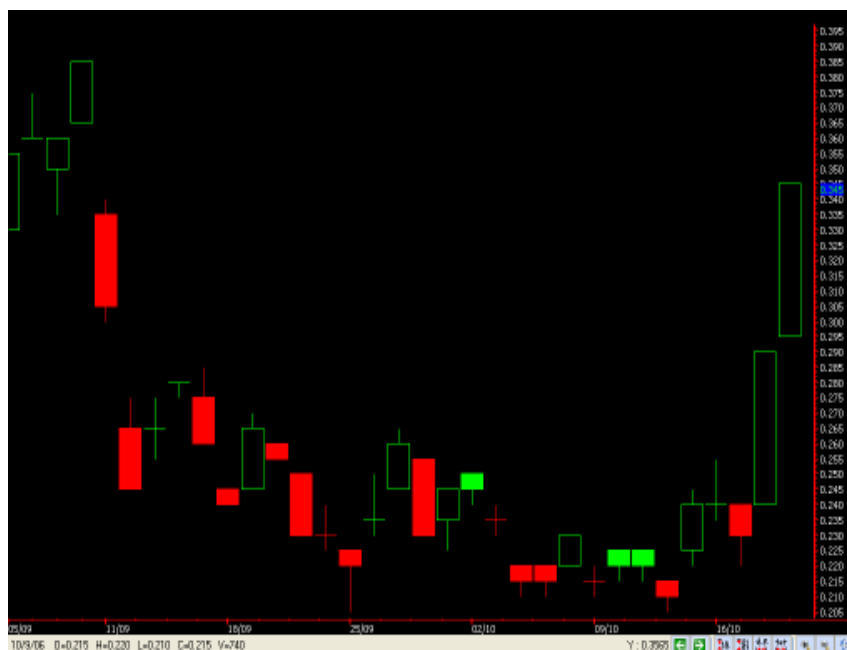
Type	: CALL
Strategy	: Closing of LONG CALL
Underlying:	
Keppel Corp Ltd	
Warrant Name:	KEPCORP DB ECW070123
Warrant Code:	K79W
Bloomberg Code :	KEPW43 SP

Keppel Corp

Taking profit on KEPCORP DB ECW070123

Underlying : Keppel Corp

- Keppel Corp, has broken past our 1st resistance level at S\$15.50, hitting an intra-day high of S\$15.70.
- Short-term price indicators are heading into overbought regions, due to the 2-day rise in price. Thus we expect some weakness to unfold soon.
- We are maintaining our 2nd resistance level at S\$16.50.



Source: Next View

Warrant : KEPCORP DB ECW070123

- The underlying has risen as per our forecast, pushing the warrant price higher over the last 2 days, hitting an intraday high of S\$0.345.
- Given that the underlying has surpassed our 1st resistance level, we expect to witness some weakness unfold, which would translate into the warrant price retracing accordingly.
- For traders who took up position in KEPCORP DB ECW070123, we recommend taking profits at this juncture. Should you decide to hold on to your positions, we advocate exiting your warrant positions once the underlying tests its 2nd resistance level at S\$16.50.

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SHAREHOLDING DECLARATION:

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

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