

Tip of the day

By Markets Dynamics Ltd
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► GS Agricultural Index: Call SK24

► Technical Analysis: chart



► Technical Analysis: comment and levels

Since the November low, the GS Agricultural index is rising inside a wedge (blue line).

Prices are now on the bottom of the wedge: a bounce on 54.80 would lead prices on the resistance at 61. Stochastics are oversold and confirm the probability of this scenario.

This strategy would be cancelled below 54.80 pts (stop loss at 54.5).

Supports	54.80	52.10
Resistances	61.00	65.00

► Call SK24: essential data

Strike	60
Expiration	Dec09
Delta	+41%

► Underlying GS Agricultural index: strategy performance and risk

Performance at target	+9.51
Performance at stop	-1.28%

Should you not share this market view, please be aware that there are other covered warrants that enable you to take the opposite view. In this case you could consider the SK27 (Put 50 Dec09). The use and interpretation of technical analysis requires financial skill and judgment and if you are in any doubt you must consult an appropriately qualified Financial Advisor before investing.

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