



**STRAITS
index**

Straits Index (M) Sdn Bhd
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Open: 6957.670 High: 6995.820 Low: 6897.740 Close: 6926.330 -26.310(-0.4%) Volume:
FBM2BRD [FBM2BRD] 14/09/2007 - 11/01/2008 Ticks=80 (Indices) Bollinger Band(20,2) 11% - STC(9,3) %K=80.65, %D=93.16 (-12.51) Daily
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FBM 2nd Board Index Daily Technical Analysis 11/01/2008

As circled at A, the FBM2nd Board Index ended lower after touching at its daily high at 6995.82 points. As mentioned on Wednesday's analysis, the FBM2nd Board Index is now having its pullback effect after breaching above the 20-day Bollinger Upper Band. The pullback effect is a short term technical correction. If the FBM2nd Board Index should rebound from the dynamic support, the outlook shall remain bullish biased. Again, you can choose to apply the 10-day Bollinger middle band or the 14, 21, 31 EMA as the dynamic support.

As circled at B, the Stochastic %K line fall below the 90% level, which triggered a short term technical correction signal. However, as long as the Stochastic can remain above the 70% level after this correction, the market movement for the short term shall remains bullish biased.

As circled at C, the MACD histogram is about to form a rounding top. If the MACD histogram should form a rounding top, it would be a signal suggesting that the short term movement for the FBM2nd Board Index is weakening. Nevertheless, this is only a short term signal. The important thing is still the support of the dynamic support.