



Straits Index (M) Sdn Bhd
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Open:5887.730 High:5910.330 Low:5845.830 Close:5900.420 +11.510(0.2%) Volume:
 FBM2BRD [FBM2BRD] 25/10/2007 - 07/05/2008 Ticks=129 (Indices) Bollinger Band(10,2) -13% -STC(9,3) %K=43.3, %D=41.27 (2.03) Daily (Fil...
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FBM 2nd Board Index Daily Technical Analysis 07/05/2008

As indicated by A, the Bollinger Bands Width for the FBM2nd Board Index contract another 13% on Wednesday, and the FBM2nd Board Index continued its sideways consolidation, ended 11.51 points higher to close at 5900.42 points. Generally, if the Bollinger Bands Width should contracted so much, it usually implies that the consolidation is near its end. Therefore, if the Bollinger Bands Width should expands with the FBM2nd Board Index staying above the Bollinger Middle Band, it would be a bullish signal for the FBM2nd Board Index. However, if the Bollinger Bands Width should expands with the FBM2nd Board Index staying below the Bollinger Middle Band, it would be a bearish signal.

As circled at B, the Stochastic remains in the short term neutral region, as the FBM2nd Board Index stays sideways. Therefore, the current short term market movement for the FBM2nd Board Index is at neutral.

As circled at C, the MACD line is now very near the trigger line (dotted line). If the MACD should cross below the the trigger line, it would trigger a bearish signal for the FBM2nd Board Index. However, if the MACD line should rise up, the MACD histogram would also tick higher. Therefore, if the MACD histogram forms a rounding bottom, it would suggests a continuation of the MACD bullish signal.

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