

Open:5193.480 High:5201.030 Low:5123.840 Close:5182.830 -14.690(-0.3%) Volume:  
 FBM2BRD [FBM2BRD] 08/04/2008 - 05/09/2008 Ticks=105 (Indices) Bollinger Band(10,2) 31% - RSI(14) - 23.03 Daily  
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### FBM 2<sup>nd</sup> Board Index Daily Technical Analysis 05/09/2008

As indicated by A, the Bollinger Bands Width expanded 31% on Friday, suggesting that the FBM2nd Board Index volatility has increased. With the FBM2nd Board Index situated below the Bollinger Middle Band, the expansion of the Bollinger Bands Width actually suggests a bearish biased movement, and therefore, as long as the Bollinger Bands Width is still expanding, the outlook for the FBM2nd Board Index is still bearish biased, until the Bollinger Bands Width should contract again, which would be another consolidation signal for the FBM2nd Board Index.

Meanwhile, the FBM2nd Board Index also marked a historical new low on Friday with 5123.84 points. Therefore, there is no reliable support for the FBM2nd Board Index, while the Bollinger Middle Band is the immediate dynamic resistance for the FBM2nd Board Index.

As circled at B, the WinChart RSI remains below 30% level, which is the mid term bearish region. This suggests that the market strength for the FBM2nd Board Index is still weak, and therefore, as long as the WinChart RSI is still below 30% level, the weak market sentiment is expected to continue.

As circled at C, the MACD histogram started declined on Friday and formed a rounding top, suggesting that the MACD bullish signal is losing strength. Therefore, as long as the MACD histogram is falling, the FBM2nd Board Index is likely to turn weak, until the MACD histogram should form a rounding bottom.

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