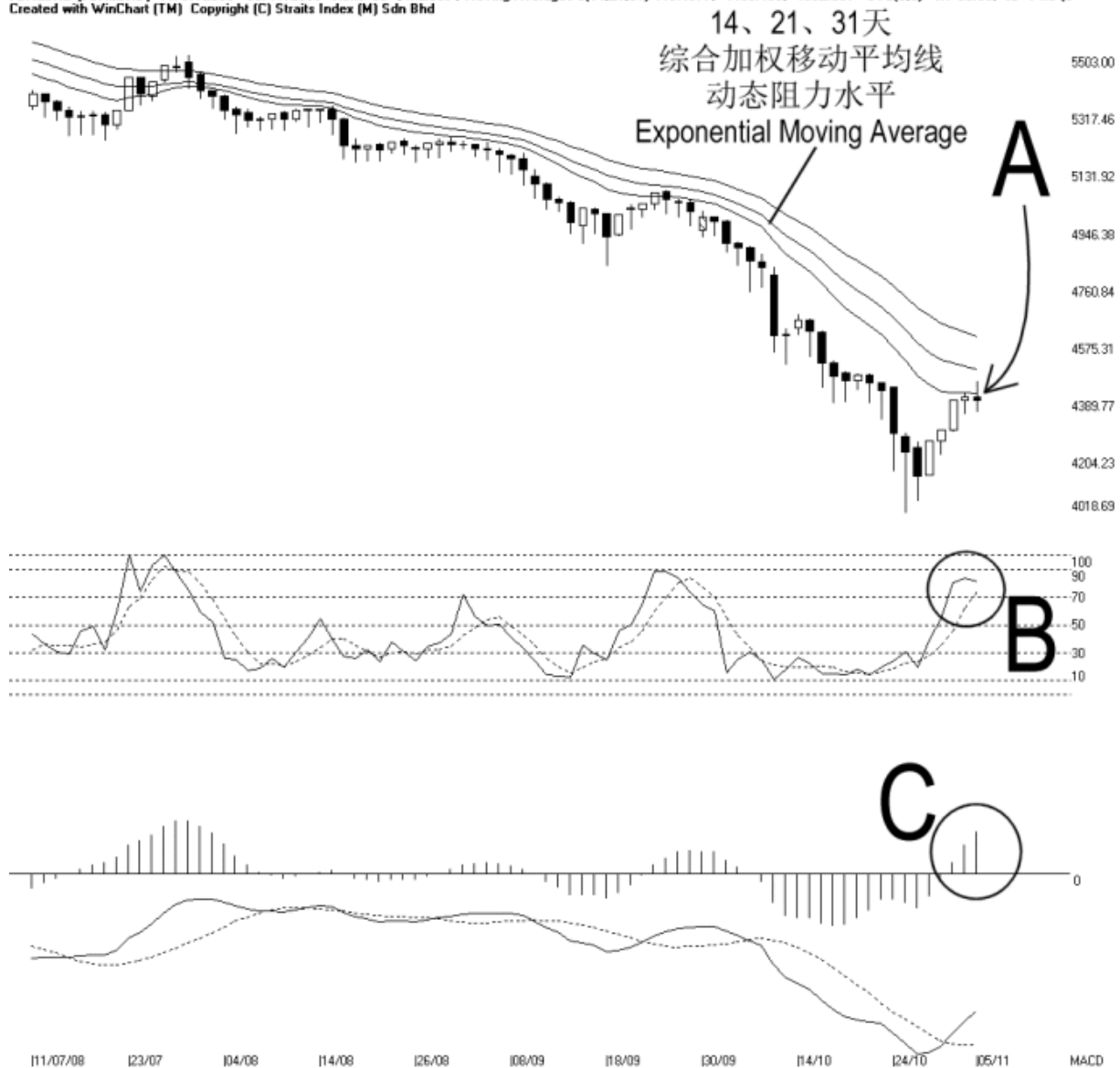


Open:4398.590 High:4446.030 Low:4347.000 Close:4386.410 -10.940(-0.2%) Volume:
 FBM2BRD [FBM2BRD] 11/07/2008 - 05/11/2008 Ticks=80 { Indices } Moving Averages e[14,21,31] 4407.077, 4486.495, 4592.561 - STC(9,3) %K=80.95, %D=74.3 (6
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FBM 2nd Board Index Daily Technical Analysis 05/11/2008

Although the FBM2nd Board Index had an intra-day high reaching 4446.03 points, it failed to sustain its gain and ended precisely below the 14-day EMA dynamic resistance. Therefore, as indicated by A, the 14, 21, 31 EMA is still serving as the dynamic resistance for the FBM2nd Board Index. In other words, if the FBM2nd Board Index should retreat, it would end its technical rebound, and continue its downtrend. Support for the FBM2nd Board Index is still at 4018.69 WinChart Automatic Fibonacci Retracement.

As circled at B, the Stochastic %D line breaks above 70% level, confirming the short term bullish signal. However, since the Stochastic is a Secondary Indicator, its signal might be too sensitive. Therefore, the priority of the analysis should still be the primary indicator (for example Moving Average and Bollinger Bands).

As circled at C, the MACD histogram has not formed a rounding top yet. However, readers are advised to pay attention to the MACD histogram because the FBM2nd Board Index is still resisted by the dynamic resistance. If the MACD histogram should form a rounding top, it would be a signal suggesting the FBM2nd Board Index is turning weaker.

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