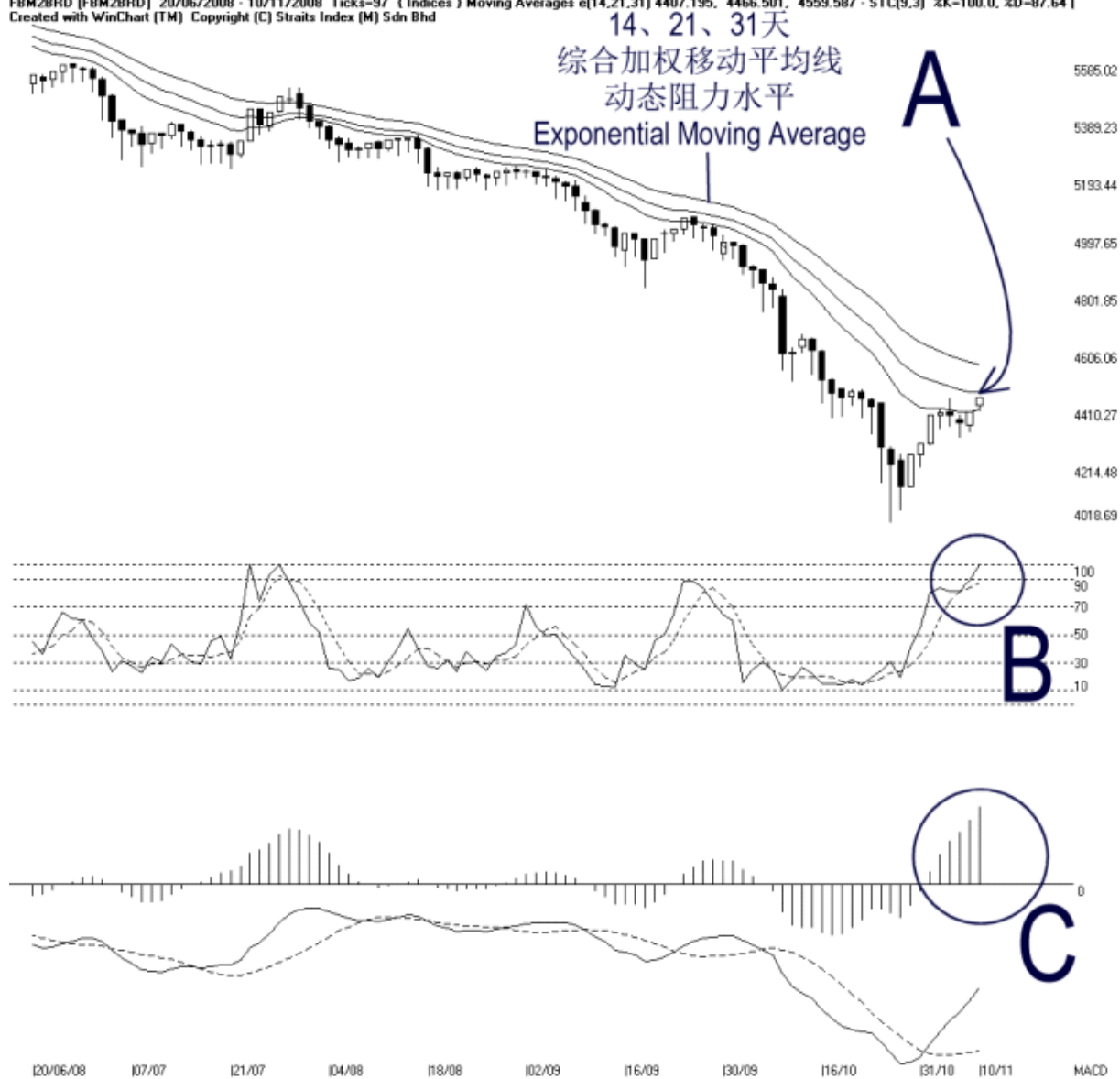


Open:4422.470 High:4446.490 Low:4400.200 Close:4446.490 +46.290(1.1%) Volume:
 FBM2BRD [FBM2BRD] 20/06/2008 - 10/11/2008 Ticks-97 { Indices } Moving Averages e[14,21,31] 4407.195, 4466.501, 4559.587 - STC(9,3) %K-100.0, %D-87.64 |
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FBM 2nd Board Index Daily Technical Analysis 10/11/2008

On Monday, the FBM2nd Board Index closed at its daily high of 4446.49 points, up 46.29 points. As indicated by A, the FBM2nd Board Index is now testing the 14, 21, 31 EMA dynamic while staying in its congestion zone. This is a critical turning point for the FBM2nd Board Index. If the FBM2nd Board Index should break above the dynamic resistance, it is likely to end its downtrend which lasted for nearly 1 year. However, if after consolidating in this congestion zone and FBM2nd Board Index is still resisted by the dynamic resistance, there is a risk for the FBM2nd Board Index to resume its downtrend. Nevertheless, support for the FBM2nd Board Index is still at 4018.69 WinChart Automatic Fibonacci Retracement.

As circled at B, the Stochastic touches 100%, which entered the short term over-bought region. This suggests that the short term movement for the FBM2nd Board Index is indeed bullish, but has gone over-heated. Therefore, there is a risk of a technical correction in the near future. However, if the Stochastic should remain above 70% level after the technical correction, the market movement for the short term is still bullish biased.

As circled at C, the MACD histogram did not form a rounding top, but instead, moving higher. Therefore, suggesting the short term movement for the FBM2nd Board Index is still gaining strength. Nevertheless, as long as the MACD histogram is still rising, the improvement of the FBM2nd Board Index movement is expected to continue, all the way until a rounding top is sighted.

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