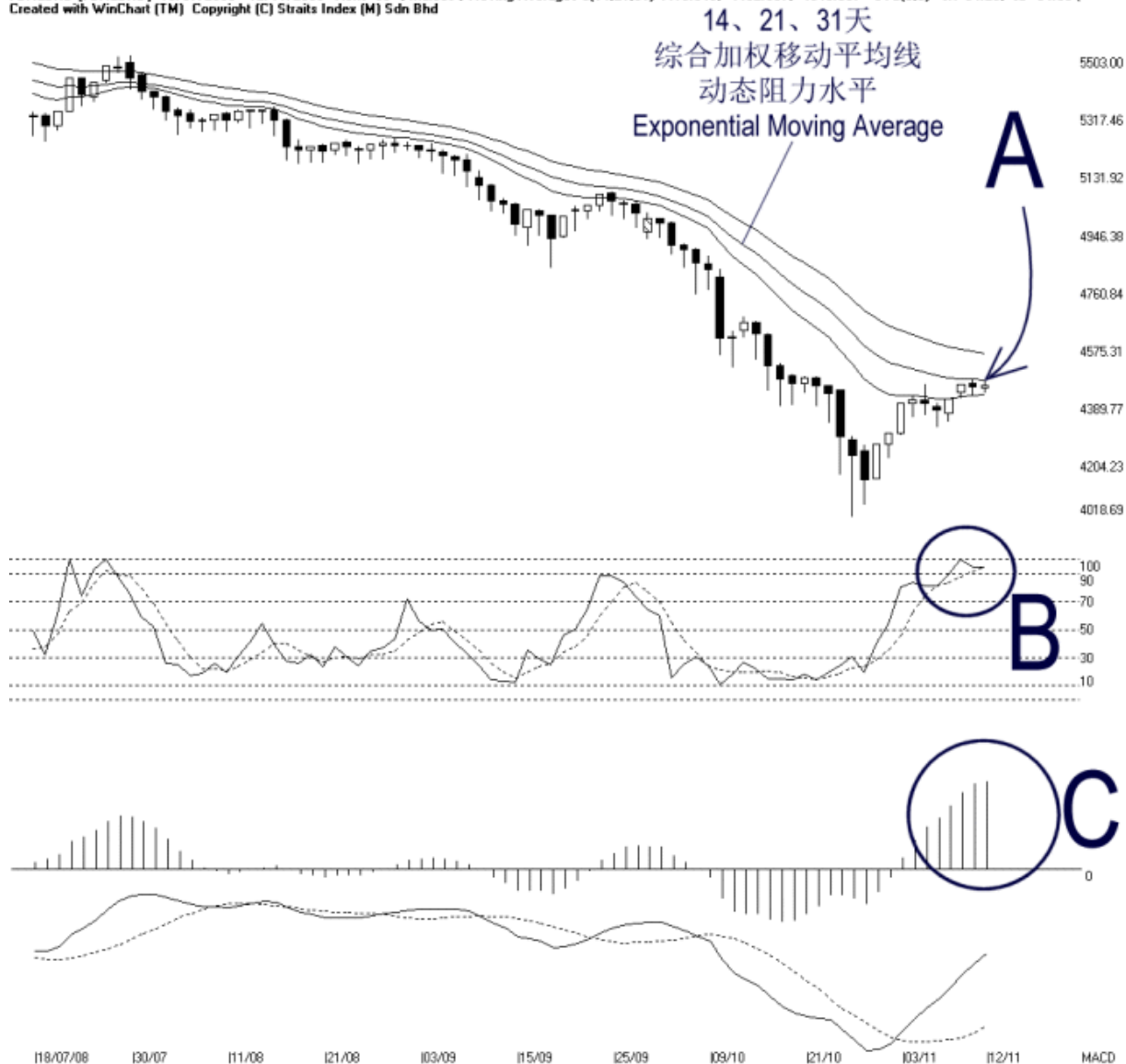


Open:4436.970 High:4457.880 Low:4419.220 Close:4443.800 +3.090(0.1%) Volume:
 FBM2BRD [FBM2BRD] 18/07/2008 - 12/11/2008 Ticks=80 { Indices } Moving Averages e[14,21,31] 4415.949, 4462.307, 4545.387 - STC(9,3) %K-94.25, %D-94.55 |
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FBM 2nd Board Index Daily Technical Analysis 12/11/2008

As indicated by A, the FBM2nd Board Index continue its sideways movement in a narrow range, closing 3.09 points higher to 4443.80 points. Therefore, the FBM2nd Board Index is still situated in the congestion zone of the 14, 21, 31 EMA dynamic resistance, suggesting the direction for the FBM2nd Board Index is still unclear. Nevertheless, if the FBM2nd Board Index should continue moving sideways, we shall apply the Bollinger Bands Width to monitor the next movement for the FBM2nd Board Index. Support for the FBM2nd Board Index remains at 4018.69 WinChart Automatic Fibonacci Retracement.

As circled at B, the Stochastic is still above 90%, which is the short term over-bought region. This suggests that the current movement for the FBM2nd Board Index is over-heated, thus a risk of a technical correction is expected in the near future. However, if the Stochastic should stay above 70% after the correction, the market movement for the short term is still bullish biased.

As circled at C, although the MACD histogram is rising, the rate of rising is actually slowing down, thus a sign of a possible rounding top formation. If the MACD histogram should form a rounding top, it would be a signal suggesting a weakening movement for the FBM2nd Board Index, thus a beginning of a technical correction.

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