

Open:3953.630 High:3954.010 Low:3906.230 Close:3928.040 -25.970(-0.7%) Volume:
 FBM2BRD [FBM2BRD] 27/08/2008 - 23/12/2008 Ticks=80 { Indices } Bollinger Band(10,2) 1% - STC(9,3) %K=37.67, %D=67.3 (-29.63) Daily
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FBM 2nd Board Index Daily Technical Analysis 23/12/2008

As indicated by A, the FBM2nd Board Index breaks below the Bollinger Middle Band on Tuesday, closing 25.97 points lower to 3928.04 points. As a result, the Bollinger Bands Width is still not expanding, suggesting the FBM2nd Board Index is likely to consolidate. Therefore, the immediate outlook of the FBM2nd Board Index is at neutral, with some bearish biased. Resistance for the FBM2nd Board Index is still at 4000 psychological level, while the support is still at 3872.24 points.

As circled at B, the Stochastic failed to return to above 70% level, and therefore, ended the short term bullish signal. Since the Stochastic is breaking below 50% level, this suggests that the short term movement of the FBM2nd Board Index is turning weaker. If the Stochastic should break below 30% level, it would be a short term bearish signal for the FBM2nd Board Index.

As indicated by the C curve, the MACD histogram started falling on Tuesday, and therefore, it might be forming a rounding top. If the MACD should form a rounding top, it would be a signal suggesting a weakening of the FBM2nd Board Index, and the weakening movement of the FBM2nd Board Index is expected to continue until the MACD histogram should form another rounding bottom.

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