

Open: 3974.440 High: 4007.310 Low: 3907.410 Close: 4007.310 +33.110(0.8%) Volume:
 FBM2BRD [FBM2BRD] 03/09/2008 - 31/12/2008 Ticks=80 { Indices } Bollinger Band[10,2] 1% - STC[9,3] %K-90.94, %D-74.32 (16.61) Daily
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FBM 2nd Board Index Daily Technical Analysis 31/12/2008

On the last trading day of 2008, the FBM2nd Board Index retested the 4000 points resistance, closing at its daily high of 4007.31 points, up 33.11 points. Although the FBM2nd Board Index managed to close above the 4000 points, it is still too close to call for a break out. Therefore, it is best to confirm with the expansion of the Bollinger Bands Width. (Study A)

As shown on the chart above, the Bollinger Bands Width of the FBM2nd Board Index is still not expanding, suggesting the FBM2nd Board Index is still consolidating. However, the FBM2nd Board Index managed to stay above the Bollinger Middle Band, and the Bollinger Middle Band

is still serving as the dynamic support. Therefore, the immediate outlook for the FBM2nd Board Index is still positive. If the Bollinger Bands Width should expand with the FBM2nd Board Index above the Bollinger Middle Band, more upside room for the FBM2nd Board Index is expected.

As circled at B, the Stochastic is still rising while staying above 70% level, which is the short term bullish region. Therefore, provided that the Stochastic could maintain its position above the 70% level, the market movement for the short term is still bullish biased.

As circled at C, the MACD histogram is still rising slowly, suggesting that the FBM2nd Board Index is still improving. However, since the Bollinger Bands Width is still not expanding, the signal of the MACD histogram is still relatively weak.

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