

Open:3935.240 High:3943.170 Low:3878.210 Close:3930.920 -0.940(0.0%) Volume:
 FBM2BRD [FBM2BRD] 24/09/2008 - 22/01/2009 Ticks=80 (Indices) Bollinger Band(10,2) -15% -STC(9,3) %K=36.59, %D=27.64 (8.95) Daily
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FBM 2nd Board Index Daily Technical Analysis 22/01/2009

As indicated by A, the FBM2nd Board Index rebounded again from the 3872.24 WinChart Automatic Fibonacci Retracement, closing almost flat (-0.94 points) to 3930.92 points. Therefore, this shows that the 3872.24 WinChart Automatic Fibonacci Retracement is still the support for the FBM2nd Board Index while the 4000 point remains as the resistance for the FBM2nd Board Index.

Since the FBM2nd Board Index is now moving sideways, the Bollinger Bands Width continues its contraction, suggesting that the FBM2nd Board Index is likely to consolidate. The

contraction of the Bollinger Bands Width also implies that the direction of the FBM2nd Board Index is unclear, as it is preparing for a new move. However, the direction of the new move can only be revealed when the Bollinger Bands Width re-expands.

As circled at B, the Stochastic ended higher, breaking marginally above the 30% level, as the FBM2nd Board Index moved sideways. This suggests that the FBM2nd Board Index might be having a technical rebound, and if the Stochastic should continue rising, the technical rebound is expected to continue.

As circled at C, the MACD histogram is still not forming a rounding bottom. Meanwhile, the MACD line started to decline, while staying below the zero level, suggesting that the medium to long term movement of the FBM2nd Board Index is still weak.

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