

Open: 4262.520 High: 4271.680 Low: 4228.780 Close: 4266.960 +8.250(0.2%) Volume:
 FBM-MDQ [FBM-MDQ] 04/03/2009 - 03/08/2009 Ticks-107 (Indices) Bollinger Band(10,2) 22% - MACD(12,26,9) Daily (Fibo) 03-8-2009 17:08:06
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FBMACE Index Technical Analysis, 03/08/2009, by Straits Index (M) Sdn Bhd

As indicated by A, the FMB ACE index remains supported by the Bollinger Middle Band, while the Bollinger Bands expanded another 22%, suggesting the immediate outlook is still bullish biased. If the Bollinger Bands Width should continue to expand, more upside room for the FBMACE index is expected. Resistance for the FMBACE line is at 4398 WinChart Automatic Fibonacci Retracement while the support is at 4031 WinChart Automatic Fibonacci Retracement.

As indicated by B, the MACD line is still rising, suggesting the mid term movement of the FBMACE index is still on the uptrend. Meanwhile, the MACD line is also above the zero level, suggesting the mid to long term movement is still positive.

As circled at C, the Stochastic remains above 70% level, in the short term bullish territory, therefore, the short term movement of the FBMACE index is still bullish biased. However, with the Stochastic nearly touching 100%, it suggests that the current short term movement of the FBMACE index might be over-heated. Therefore, a technical correction is likely to take place in the near future. If the Stochastic should

retreat and break below 70% level, it would be a signal suggesting a beginning of a technical correction.

Generally, the current movement of the FBMAE index is still bullish biased, with the support of the Bollinger Middle Band. Therefore, it is likely to test the resistance at 4398 WinChart Automatic Fibonacci Retracement, despite slightly over-heated and a chance of a technical correction in the near term.

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