



Straits Index (M) Sdn Bhd.
WinChart Technical Analysis
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Open:4180.580 High:4218.650 Low:4169.190 Close:4208.920 +13.790(0.3%) Volume:
FBM-MDQ [FBMACE] 11/03/2009 - 06/08/2009 Ticks-106 (Indices) Bollinger Band[10,2] -13% - STC[9,3] %K-67.98, %D-81.37 (-13.39) Daily (Fibo) 06-9-2009 17:
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FBMA Index Technical Analysis, 06/08/2009, by Straits Index (M) Sdn Bhd

As indicated by A, the FBMA index rebounded precisely from the Bollinger Middle Band, closing 13.79 points or 0.3% higher on Thursday. This suggests that the Bollinger Middle Band is still the dynamic support for the FBMA and the FBMA has not turned into a downtrend. Resistance for the FBMA remains at 4398 WinChart Automatic Fibonacci Retracement while the support is still at 4031 WinChart Automatic Fibonacci Retracement.

As shown on the chart above, the Bollinger Bands Width is still contracting, suggesting the FBMA index is still consolidating. If the Bollinger Bands Width should re-expand with the FBMA index above the Bollinger Middle Band, it would be a signal suggesting a resume of its short term uptrend, and it would test the resistance at 4398 WinChart Automatic Fibonacci Retracement.

As circled at B, the Stochastic is still below 70% level, suggesting that the FBMA has not returned to the

short term bullish movement, while the consolidation continues. The Stochastic has to break above 70% level, and remain above 70% in order to sustain the short term bullish movement of the FBMA CE index.

As circled at C, the MACD histogram is still falling, and the Rounding Bottom is not yet sighted. This shows that the FBMA CE is still consolidating and the consolidation is expected to go on until the MACD histogram should form a Rounding bottom.

Generally, the first target of correction is the Bollinger Middle Band, and now that the FBMA CE managed to rebound from the Bollinger Middle Band, there is a chance for the FBMA CE to return to its short term uptrend, provided that the Bollinger Bands Width shall expand again with the FBMA CE above the Bollinger Middle Band.

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