

Open:4189.140 High:4228.380 Low:4170.390 Close:4228.380 +50.480(1.2%) Volume:
 FBM-MDQ [FBMACE] 10/03/2009 - 11/08/2009 Ticks=110 (Indices) Bollinger Band[10,2] -9% - STC[9,3] %K=73.89, %D=68.6 (5.3) Daily (Fibo) 11-8-2009 17:06:45
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FBMACE Index Technical Analysis, 11/08/2009, by Straits Index (M) Sdn Bhd

As indicated by A, the FBMACE managed to rebound and return to above the Bollinger Middle Band, up 50.48 points or 1.2%. Therefore, the Bollinger Middle Band is still the dynamic support for the FBMACE. Resistance for the FBMACE remains at 4398 WinChart Automatic Fibonacci Retracement while the support is still seen at 4031 WinChart Automatic Fibonacci Retracement.

As shown on the chart above, the Bollinger Bands Width contracted 9%, suggesting the FBMACE is still consolidating while also preparing for its new movement. The consolidation shall continue until the expansion of the Bollinger Bands Width.

As circled at B, the Stochastic rebounded from 50% level, and this suggests that the short term movement of the FBMAE has not turned bearish biased, while still consolidating. If the Stochastic should remain above 70% level, the short term movement of the FBMAE shall return to bullish biased.

As circled at C, although the MACD histogram is still falling, its rate of decline has reduced. This implies that the MACD histogram might be forming a Rounding Bottom. If the MACD histogram should form a Rounding Bottom, it would be a signal suggesting the KLCI is regaining its strength.

With the FBMAE above the Bollinger Middle Band, the immediate outlook is now bullish biased. However, the Bollinger Bands Width is still contracting, and therefore, it has not shown any bullish signal yet. If the Bollinger Bands Width should re-expands with the FBM above the Bollinger Middle Band, it would be a signal suggesting the FBMAE is resuming its short term uptrend and the FBMAE is likely to test the 4398 WinChart Automatic Fibonacci Retracement resistance.

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