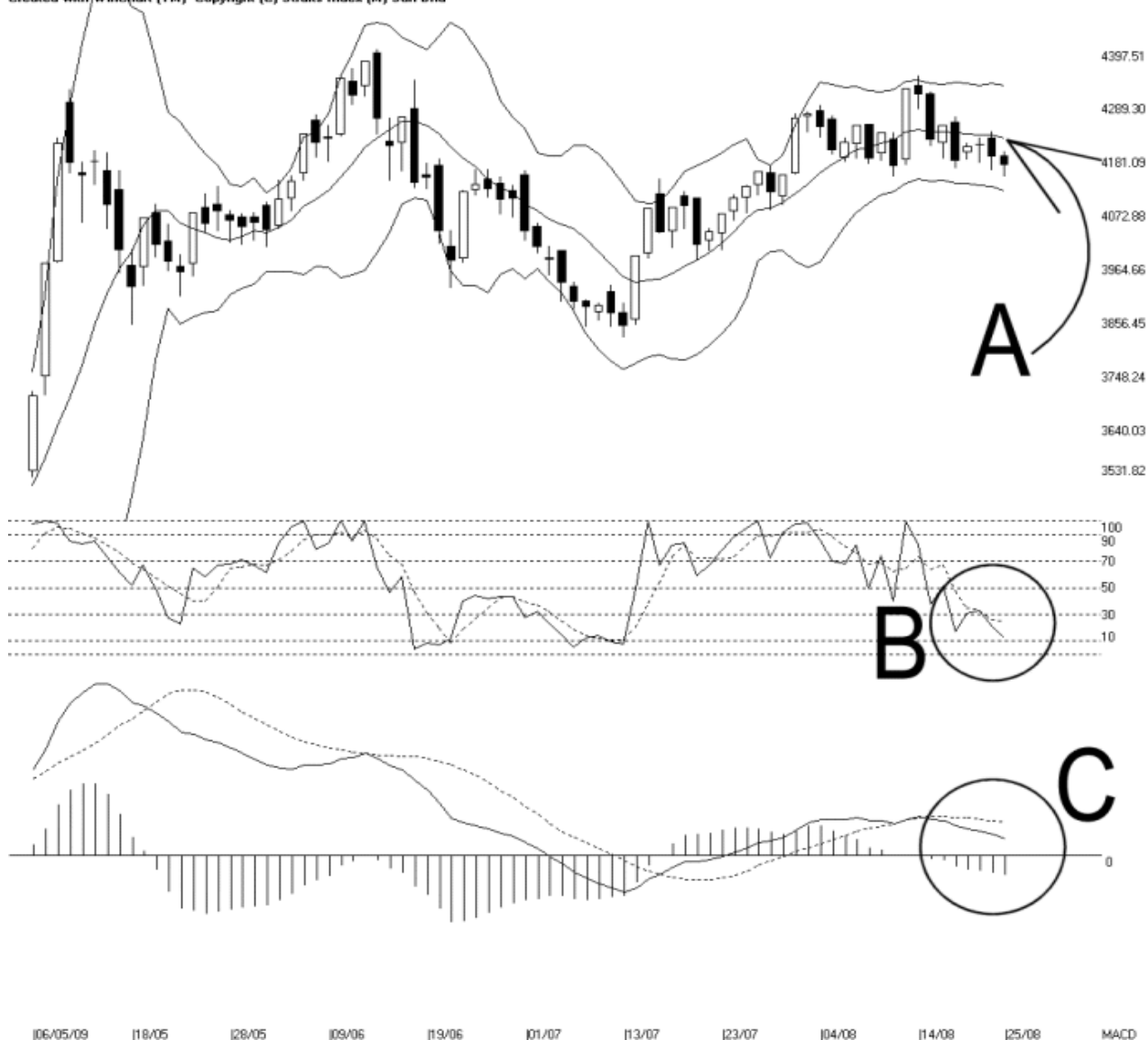




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WinChart Technical Analysis  
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Open:4181.710 High:4190.380 Low:4138.820 Close:4164.120 -18.730(-0.4%) Volume:  
FBM-IDQ [FBMACE] 06/05/2009 - 25/08/2009 Ticks=80 (Indices) Bollinger Band(10,2) 2% - STC(9,3) %K=12.4, %D=24.39 (-11.99) Daily 25-8-2009 17:10:24  
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### FBMACE Index Technical Analysis, 25/08/2009, by Straits Index (M) Sdn Bhd

As indicated by A, the FBMACE remains below the Bollinger Middle Band, closing 18.73 points or 0.4% lower on Tuesday. Therefore, the Bollinger Middle Band is still the dynamic resistance for the FBMACE. Resistance for the FBMACE remains at 4398 WinChart Automatic Fibonacci Retracement while the 4031 WinChart Automatic Fibonacci Retracement is still the support.

As shown on the chart above, the Bollinger Bands Width has not expanded clearly for the FBMACE is trading at a narrow range. This suggests that the FBMACE has not formed a downtrend, but remains in its consolidation with some negative biased. In other words, if the Bollinger Bands Width should re-expands, with the FBMACE below the Bollinger Middle Band, the FBMACE would form a downtrend.

As circled at B, the Stochastic is still below 30% level, which is the short term bearish territory. This suggests that the short term movement of the FBMAE is weakening, and the weakening shall continue unless the Stochastic could break above 30% level.

As circled at C, the MACD histogram continues to decline, while no Rounding Bottom is sighted yet, this suggests that the FBMAE is not gaining any strength at the moment. Meanwhile, the MACD line is also falling gradually, while getting closer to the zero level. If the MACD line should break below the zero level, it would be a signal suggesting a weakening of the mid term movement.

Despite negative signals from Secondary Indicators (such as MACD and Stochastic), the FBMAE has not formed a downtrend, because the Bollinger Bands (a Primary Indicator) has not signaled any bearish movement for the FBMAE yet. Therefore, the priority of the analysis should be based upon the Bollinger Bands, and investors are asked to monitor the changes of the Bollinger Bands Width closely. If the Bollinger Bands Width should expand clearly, it would be a signal suggesting a beginning of a new movement, and the FBMAE would have to break above the Bollinger Middle Band in order to regain its positive position, other wise, there is a risk of a downtrend formation.

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