

Open: 4012.510 High: 4048.550 Low: 3995.730 Close: 4035.650 +27.480(0.7%) Volume:
FBM-IDQ [FBMACE] 26/05/2009 - 15/09/2009 Ticks=80 { Indices } Moving Averages e[14,21,31] 4101.761, 4117.358, 4123.729 - STC[9.3] %K=23.56, %D=27.68 (-4
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FBMACE Index Technical Analysis, 15/09/2009, by Straits Index (M) Sdn Bhd

As shown on the chart above, the FBMACE rebounded on Tuesday, but still resisted by the falling 14, 21, 31 EMA dynamic resistance (As pointed by A). This shows that the FBMACE rebound is only technical, while the downtrend remains intact. Supports for the FBMACE are at 3950 and 3810 WinChart Automatic Fibonacci Retracement. While resistance is at 14, 21, 31 EMA.

Meanwhile, the Bollinger Bands Width expanded only 3%. If compared to Monday's expansion rate, Tuesday expansion was relatively slower, thus implying that the Bollinger Bands Width might be

contracting. If the Bollinger Bands Width should contract, the FBMA CE would consolidate. The Bollinger Middle Band is also a dynamic resistance for the FBMA CE.

As circled at B, the Stochastic rebounded as the FBMA CE technically rebound. However, the Stochastic failed to break above 30% level, and therefore, the short term bearish signal remains in place, until the Stochastic could break above 30% and 50% level.

As circled at C, the MACD Histogram has not formed a Rounding Top, and therefore, the FBMA CE weakening movement is temporary at a pause. Nevertheless, the MACD line is below the zero level, suggesting that the mid to longer term movement of the FBMA CE is still weak.

After Monday's sharp fall, the rebound of the FBMA CE on Tuesday is rather normal, but however, the rebound is only technical, it is not a signal suggesting that the FBMA CE is breaking away from the downtrend, unless the FBMA CE should break above the 14, 21, 31 EMA successfully. In other words, if the FBMA CE should resisted by the 14, 21, 31 again after this rebound, the downtrend is still intact and the outlook shall remains bearish biased.

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