

Open:4176.040 High:4229.690 Low:4147.960 Close:4220.720 +73.810(1.8%) Volume:  
 FBM-MDQ [FBMACE] 09/06/2009 - 13/10/2009 Ticks=88 (Indices) Bollinger Band(10,2) 32% - RSI(14) - 71.81 Daily (Fibo) 13-10-2009 17:02:39  
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### FBMACE Index Technical Analysis, 13/10/2009, by Straits Index (M) Sdn Bhd

As indicated by A, the FBMACE ended higher, breaking above the 4175 WinChart Automatic Fibonacci Retracement, upped 73.81 points or 1.8%. Next resistance for the FBMACE is seen at 4260 WinChart Automatic Fibonacci Retracement while the supports are still at Bollinger Middle Band as well as 4175 WinChart Automatic Fibonacci Retracement.

As shown on the chart above, the Bollinger Bands expanded 32%, with the FBMACE above the Bollinger

Middle Band; therefore, the FBMA CE continue its rally. Generally, provided that the Bollinger Bands is still expanding, the rally of the KLCI is likely to continue, until the Bollinger Bands should contract or the expansion rate decreases.

As circled at B, the WinChart RSI breaks above 70% marginally, suggesting that the mid term movement of the FBMA CE is turning bullish. If the WinChart RSI could maintain above 70% level, the bullish mid term movement of the FBMA CE is expected to continue.

As circled at C, the Stochastic is still above 70% level, this suggests that the short term movement of the FBMA CE is bullish. In short, provided that the Stochastic could maintain above 70% level, the short term bullishness of the FBMA CE is expected to continue.

Technically speaking, the FBMA CE has the conditions needed for an uptrend formation, but for the short term, it is now over-heated, thus a risk of a technical correction or a consolidation is inevitable. Nevertheless, provided that the FBMA CE could find its support above the Bollinger Middle Band or the 14, 21, 31 EMA, the uptrend shall remain intact.

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