



Straits Index (M) Sdn Bhd.
WinChart Technical Analysis
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Open:4226.230 High:4269.020 Low:4204.560 Close:4269.020 +48.300(1.1%) Volume:
FBM-MDQ [FBMACE] 10/06/2009 - 14/10/2009 Ticks=88 (Indices) Bollinger Band(10,2) 44% - RSI(14) - 76.92 Daily (Fibo) 14-10-2009 16:53:16
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FBMACE Index Technical Analysis, 14/10/2009, by Straits Index (M) Sdn Bhd

As indicated by A, the FBMACE rally continues on Wednesday, breaking above the 4260 WinChart Automatic Fibonacci Retracement by margin, closing 48.30 points or 1.1% higher. Although the FBMACE broke above the 4260 WinChart Automatic Fibonacci Retracement, it is still not yet a confirmation of a valid breakout for the breakout is only marginal. Therefore, resistance for the FBMACE remains at 4260 WinChart Automatic Fibonacci Retracement while the supports are at the Bollinger Middle Band and the 4175 WinChart Automatic Fibonacci Retracement.

As shown on the chart above, the Bollinger Bands expanded 44%, with the FBMA CE above the Bollinger Middle Band. Therefore, the FBMA CE rally continues. If the Bollinger Bands should continue expanding, the upside movement of the FBMA CE is likely to continue, provided that the FBMA CE is still staying above the Bollinger Middle Band, until the contraction or the reduced expansion rate of the Bollinger Bands.

As circled at B, the WinChart RSI is still rising, while staying above the 70% level, which suggests that the mid term movement of the FBMA CE is now bullish biased. The mid term bullishness of the FBMA CE is expected to sustain until the WinChart RSI should break below 70% level.

As circled at C, the MACD histogram is still rising, suggesting that the short term movement of the FBMA CE is still gaining strength. Therefore, the short term movement of the FBMA CE is bullish biased, until the MACD histogram should form a Rounding Top.

Since the re-expansion of the Bollinger Bands, the FBMA CE had rallied 6 trading days, gaining up to 187.88 points or 4.6%. This shows that the FBMA CE is now forming an uptrend, but the short term movement is over-heated, thus a technical correction or a consolidation is likely to take place. Nonetheless, provided that the FBMA CE is still supported by the Bollinger Middle Band or the 14, 21, 31 EMA, the uptrend shall remain intact.

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