

Open:4321.630 High:4434.270 Low:4316.190 Close:4434.270 +123.090(2.9%) Volume:  
 FBM-MDQ [FBMACE] 25/06/2009 - 19/10/2009 Ticks=80 (Indices) Bollinger Band(10,2) 34% - STC(9,3) %K=100.0, %D=94.18 (5.82) Daily 19-10-2009 17:05:09  
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**FBMACE Index Technical Analysis, 19/10/2009, by Straits Index (M) Sdn Bhd**

As indicated by A, the FBMACE ended strongly on Monday, breaking above the previous 4398 WinChart Automatic Fibonacci Retracement, closing 123.09 points or 2.9% higher. This is the biggest daily gain since 13<sup>th</sup> of August, 2009. Since it has taken out the 4398 WinChart Automatic Fibonacci Retracement, the next resistance for the FBMACE is seen at 4558 WinChart Automatic Fibonacci Retracement while the support is now at 4398 WinChart Automatic Fibonacci Retracement.

Meanwhile, as shown on the chart above, the Bollinger Bands expanded 34%, with the FBMACE remains

above the Bollinger Middle Band. Therefore, the immediate outlook for the FBMA CE is still bullish biased. If the Bollinger Bands should contract, or the expansion rate is decreasing, it would be an early signal suggesting that the FBMA CE is about to consolidate or having its technical correction, and the target of the technical correction would be the Bollinger Middle Band.

As circled at B, the Stochastic is now reaching 100% level again, suggesting that the short term movement of the FBMA CE is indeed bullish, but it is over-heated. Nonetheless, technically speaking, provided that the Stochastic is still above 70% level, the short term movement of the FBMA CE is still bullish biased.

As circled at C, the MACD histogram has not formed a Rounding Top, this suggests that the short term movement of the FBMA CE is still bullish, while no weakening signal is sighted yet. Nevertheless, if the MACD histogram should form a Rounding top, it would be a signal suggesting the short term movement of the FBMA CE is weakening, or a technical correction has begun.

The strong gain of the FBMA CE on Monday has pushed the FBMA CE to this year's new high. Based on the Bollinger Bands and the 14, 21, 31 EMA signal, the FBMA CE uptrend remains intact, with the short term movement being over-heated. Nonetheless, provided that the FBMA CE is still supported by the Bollinger Middle Band as well as the 14, 21, 31 EMA, the uptrend is expected to continue.

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