



Straits Index (M) Sdn Bhd.
WinChart Technical Analysis
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Open:4339.180 High:4358.990 Low:4318.720 Close:4358.990 +10.71(0.2%) Volume:
FBM-MDQ [FBMACE] 30/06/2009 - 22/10/2009 Ticks=80 {Indices} Bollinger Band(10,2) -5% -STC(9,3) %K=68.13, %D=77.29 (-9.17) Daily (Fibo) 22-10-2009 17:02
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FBMACE Index Technical Analysis, 22/10/2009, by Straits Index (M) Sdn Bhd

As indicated by A, the FBMACE found its support at 4329 WinChart Automatic Fibonacci Retracement, and rebounded 10.71 points or 0.2%, this suggests that the 4329 WinChart Automatic Fibonacci Retracement is now the support for the FBMACE, while the resistance remains at 4488 WinChart Automatic Fibonacci Retracement.

As shown on the chart above, the Bollinger Bands contracted 5%, suggesting that the FBMACE is consolidating, with the Bollinger Middle Band being the dynamic support. If the FBMACE should continue

supported by the Bollinger Middle Band, there is a chance for the FBMA CE to resume its uptrend and re-test the 4488 resistance.

As circled at B, the Stochastic stopped falling, but has not yet returned to above 70% level. If the Stochastic should break above 70% level, it would suggest that the FBMA CE short term movement is returning to bullish biased. However, if the Stochastic should remains below 70% level, the consolidation of the FBMA CE is expected to continue.

As circled at C, the MACD histogram is still falling, while the Rounding Top is still intact. This suggests that the FBMA CE short term movement is weakening, as it is consolidating. If the MACD histogram should continue falling, the weakening movement of the FBMA CE is expected to continue, until the MACD histogram should form a Rounding Bottom.

Technically speaking, the ideal consolidation is a low-fluctuation, sideways movement. If the FBMA CE should move sideways above the 4329 WinChart Automatic Fibonacci Retracement as well as the Bollinger Middle Band, there is a good chance that the FBMA CE would resume its uptrend, but it has to be confirmed by the re-expansion of the Bollinger Bands. On the other hand, if the FBMA CE should break below the Bollinger Middle Band, the consolidation of the FBMA CE continues.

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