

Open:4357.870 High:4391.300 Low:4304.560 Close:4341.870 -17.120(-0.4%) Volume:
 FBM-MDQ [FBMACE] 01/07/2009 - 23/10/2009 Ticks=80 { Indices } Bollinger Band(10,2) -11% -STC(9,3) %K=63.91, %D=68.8 (-4.89) Daily (Fibo) 23-10-2009 16:51
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FBMACE Index Technical Analysis, 23/10/2009, by Straits Index (M) Sdn Bhd

As indicated by A, the FBMACE was supported by the Bollinger Middle Band again, losing 17.12 or 0.4% on Friday. This suggests that the Bollinger Middle Band is still the dynamic support for the FBMACE, while the 4329 WinChart Automatic Fibonacci Retracement remains as the support; resistance for the FBMACE is still seen at 4488 WinChart Automatic Fibonacci Retracement.

As shown on the chart above, the Bollinger Bands contracted another 11%, suggesting that the FBMACE is still consolidating. Meanwhile, the contraction of the Bollinger Bands also suggests that the FBMACE is

now gearing up for a new movement, and the direction of the new movement shall only be revealed once the Bollinger Bands re-expands.

As circled at B, the Stochastic failed to return to above 70% level, and therefore, the short term movement of the FBMA CE has not returned to the bullish territory. If the Stochastic should remain below 70% level, the consolidation of the FBMA CE is expected to continue, with some downside biased.

As circled at C, the MACD histogram is still showing a Rounding Top pattern, suggesting that the FBMA CE is indeed consolidating. The falling of the MACD histogram also suggests that the FBMA CE short term movement is weakening, and the weakening movement is expected to continue, until the MACD histogram should form a Rounding Bottom.

Since the Bollinger Bands is still contracting, the FBMA CE is expected to consolidate further, while preparing for a new movement. Generally, with the FBMA CE still supported by the Bollinger Middle Band, the immediate outlook is still positive, but it has to be confirmed by the re-expansion of the Bollinger Bands.

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