



Straits Index (M) Sdn Bhd.
WinChart Technical Analysis
Tel: (03) 8941 6828
Fax: (03) 8941 9828
email: info@straitindex.com



Open:4343.460 High:4353.880 Low:4285.930 Close:4332.750 -9.120(-0.2%) Volume:
FBM-MDQ [FBMACE] 02/07/2009 - 26/10/2009 Ticks=80 { Indices } Bollinger Band(10,2) -17% - STC(9,3) %K=54.27, %D=63.47 [-9.2] Daily (Fibo) 26-10-2009 17:02
Created with WinChart (TM) Copyright (C) Straits Index (M) Sdn Bhd



FBMACE Index Technical Analysis, 26/10/2009, by Straits Index (M) Sdn Bhd

As indicated by A, the FBMACE had its intra-day low breaking below the Bollinger Middle Band. But it managed to close at above the Bollinger Middle Band as well as the 4329 WinChart Automatic Fibonacci Retracement. Therefore, the Bollinger Middle Band is still the dynamic support for the FBMACE, while the 4329 WinChart Automatic Fibonacci Retracement is still the support for the FBMACE. Resistance for the FBMACE is still at 4488 WinChart Automatic Fibonacci Retracement.

As shown on the chart above, the Bollinger Bands contracted 17%, suggesting that the FBMACE is still

consolidating. Generally, when the Bollinger Bands Width contracts, it does not only suggests that the FBMA CE is consolidating, it also implies that the FBMA CE is preparing for a new movement, and the new movement shall only be revealed once the Bollinger Bands re-expands.

As circled at B, the Stochastic failed to break above 70% level, but instead, ended lower. Therefore, the FBMA CE has not returned to its short term bullishness, while still consolidating. If the Stochastic should continue falling, and break below 30% level, it would be a signal suggesting that the short term movement of the FBMA CE is turning bearish biased.

As circled at C, the MACD histogram is still falling, while the Rounding Top is still clearly visible. This shows that the consolidation of the FBMA CE is still intact and the consolidation is expected to continue, until the MACD histogram should form a Rounding Bottom.

Despite some signs of weakening short term movement for the FBMA CE, it is still supported by the Bollinger Middle Band as well as the 4329 WinChart Automatic Fibonacci Retracement. Therefore, it has not formed a downtrend yet. Nonetheless, as the Bollinger Bands is still contracting, it is too early to speculate what the next direction would be. Until the Bollinger Bands should expands, with the FBMA CE above the Bollinger Middle Band, it would be a bullish signal, otherwise, when the Bollinger Bands expands with the FBMA CE below the Bollinger Middle Band, it would be bearish signal.

© 2009 Straits Index (M) Sdn Bhd

www.straitsindex.com

WinChart – Designed by investor for investors, since 1998