

Open:4496.690 High:4541.080 Low:4491.920 Close:4523.870 +20.130(0.4%) Volume:
 FBM-MDQ [FBMACE] 10/07/2009 - 13/11/2009 Ticks=88 (Indices) Moving Averages e(14,21,31) 4487.906, 4437.898, 4381.604 - STC(9,3) %K=48.81, %D=54.07 (-
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FBMACE Index Technical Analysis, 13/11/2009, by Straits Index (M) Sdn Bhd

As indicated by A, the FBMACE rebounded from the 14, 21, 31 EMA on Friday, closing 20.13 points or 0.4% higher. Resistance for the FBMACE are still at 4560 and 4790 WinChart Automatic Fibonacci Retracement while the support is now at the 14, 21, 31 EMA dynamic support.

Since the FBMACE rebounded from the 14, 21, 31 EMA, we now use the 14, 21, 31 EMA as the dynamic support instead of the Bollinger Middle Band. Provided that the FBMACE is supported by the 14, 21, 31 EMA, the uptrend is still intact.

As circled at B, the Stochastic rebounded slightly on Friday, but failed to break above the 50% level. This suggests that the FBMAE is still not gaining strength yet. Technically speaking, the Stochastic has to break above 70% level, to indicate a short term bullish movement of the FBMAE.

As circled at C, the MACD histogram is still showing a Rounding Top pattern, suggesting that the FBMAE is still in a weakening movement, until the MACD histogram should form a Rounding Bottom.

In short, the FBMAE rebounded from the 14, 21, 31 EMA after falling for 4 days. This suggests that the 14, 21, 31 EMA is serving as the dynamic support, and the 14, 21, 31 EMA is an important dynamic support of mid to long term uptrend. Therefore, it is crucial for the FBMAE to remain supported by the 14, 21, 31 EMA.

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