



Straits Index (M) Sdn Bhd.
WinChart Technical Analysis
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Open:4297.620 High:4398.190 Low:4280.190 Close:4293.820 -4.580(-0.1%) Volume:
FBM-MDQ [FBMACE] 01/07/2009 - 02/12/2009 Ticks=107 {Indices} Bollinger Band(10,2) -10% -STC(9,3) %K=36.37, %D=28.76 (7.61) Daily (Fibo) 02-12-2009 17:1
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FBMACE Index Technical Analysis, 02/12/2009, by Straits Index (M) Sdn Bhd

As indicated by A, the FBMACE attempted to test the Bollinger Middle Band dynamic resistance, but failed again, closing 4.58 points lower. Meanwhile, the 4302 WinChart Automatic Fibonacci Retracement is still the resistance for the FBMACE while the support is at 4187 WinChart Automatic Fibonacci Retracement.

As shown on the chart above, the Bollinger Bands contracted 10%, suggesting that the FBMACE is

still consolidating. With the FBMAE below the Bollinger Middle Band, the immediate outlook for the FBMAE is still on the negative side.

As circled at B, the Stochastic is still above 30% level, suggesting that the short term movement for the FBMAE is no longer bearish biased. However, the FBMAE short term movement has not gained any strength yet, for it is still below 50% level. Technically speaking, the Stochastic has to break above 70% level in order to signal a short term bullish movement.

As circled at C, the MACD histogram is still rising gradually, suggesting that the FBMAE is consolidating. If the MACD histogram could continue rising, and break above the zero level, it would be a signal suggesting that the FBMAE is re-gaining its strength.

In conclusion, the FBMAE formed a candlestick with a long upper shadow on Wednesday, this shows that the selling pressure was relatively strong, as the new buying interests were not sufficient to absorb the profit taking pressure, therefore, the weakness of the FBMAE remains intact. Nevertheless, investors can continue monitor the development of the Bollinger Bands, for when the Bollinger Bands re-expands, it would be a signal suggesting a beginning of a new movement, and the direction of the new movement shall be determined by the relative position of the FBMAE above or below the Bollinger Middle Band.

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