



Straits Index (M) Sdn Bhd.
WinChart Technical Analysis
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Open:4294.920 High:4332.620 Low:4285.710 Close:4313.860 +20.04(0.5%) Volume:
FBM-MDQ [FBMACE] 02/07/2009 - 03/12/2009 Ticks=107 {Indices} Bollinger Band(10,2) -7% -STC(9,3) %K=43.37, %D=36.33 (7.03) Daily (Fibo) 03-12-2009 16:51
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FBMACE Index Technical Analysis, 03/12/2009, by Straits Index (M) Sdn Bhd

As indicated by A, the FBMACE continued its consolidation on Thursday, while tested the Bollinger Middle Band again. However, it failed to break above the Bollinger Middle Band, closing 20.04 points or 0.5% higher. Resistance for the FBMACE remains at 4417 WinChart Automatic Fibonacci Retracement while the support is still at 4187 WinChart Automatic Fibonacci Retracement.

As shown on the chart above, the Bollinger Bands contracted 7%, suggesting that the FBMACE is still

consolidating. With the FBMA CE staying below the Bollinger Middle Band, the immediate outlook for the FBMA CE is still on the weaker side.

As circled at B, the Stochastic started rising on Thursday, but still below 50% level. If the Stochastic should break above 50%, it would be a signal suggesting that the short term movement of the FBMA CE is improving. But still, the Stochastic has to break above 70% level in order to signal a short term bullish signal.

As circled at C, the MACD histogram is still rising gradually, while the Rounding Bottom is still in sight. This suggests that the FBMA CE is still consolidating, and as long as the MACD histogram is still rising, the consolidation is expected to carry, even with a chance to regain some strength.

In conclusion, the consolidation of the FBMA CE continues as the Bollinger Bands contracts. Meanwhile, the contraction of the Bollinger Bands also implies that the FBMA CE is actually preparing for a new movement, and new movement shall be revealed once the Bollinger Bands re-expands, and the direction of the new movement shall be determined by the position of the KLCI above or below the Bollinger Middle Band.

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