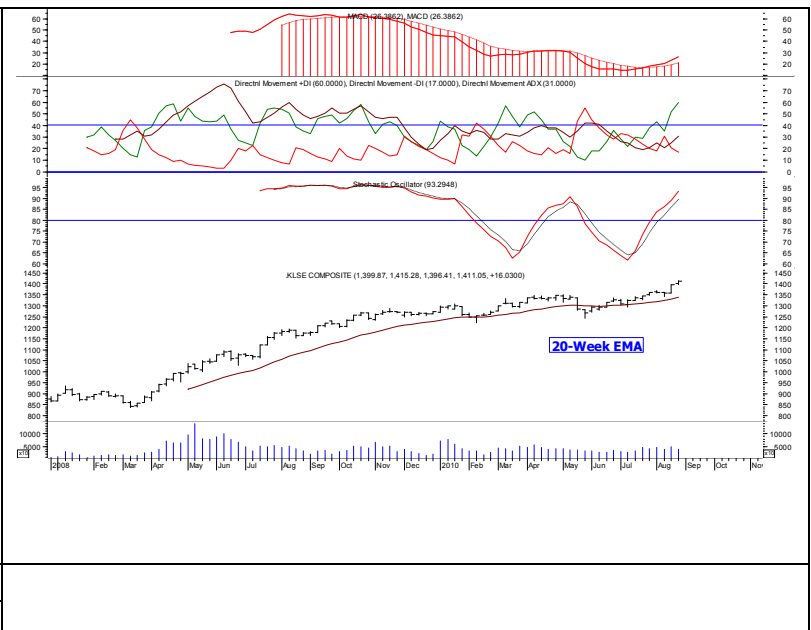


## Technical Analysis – Weekly FBM KLCI

	27/8/2010	20/8.2010	
Open	1,399.87	1,359.86	
High	1,415.28	1,395.02	
Low	1,396.41	1,358.95	
Close	1,411.05	1,395.02	
Volume	4.02 b	4.90 b	
<b>Pivot</b>	1,407.5	1,383.0	
1 <sup>st</sup> Resis.	1,418.7	1,407.0	
2 <sup>nd</sup> Resis.	1,426.4	1,419.0	
1 <sup>st</sup> Supp.	1,399.8	1,370.9	
2 <sup>nd</sup> Supp.	1,388.7	1,346.9	
<b>Indicators</b>			
MACD	buy	buy	
DM Index	buy	buy	
Stochastics	buy	buy	

**Chart wise : .**

**..... 79 % of total weekly market trading activity was on buying side .....**

### **Weekly Market Commentary :**

Continued concern about the pace of US economic recovery, DJIA traded below 10,000 level to a low of **9,937.98** before settled at **9,985.8** for the week ended 26/8/2010.

The sell-off in Wall Street did not seem to dampen trading sentiment in Bursa Malaysia last week, FBM KLCI went above 1,400 level to reach highest high of **1,415.28** since 21/2/2008 as traders chose to play on buying side in anticipation of higher market. Stock index kept its position well supported throughout the week before settled near week high at **1,411.05**.

Last week, total market turnover was **4.02** billion shares compared to **4.90** billion shares in the preceding week; thus, the **smaller market volume** in an up close scenario suggested **weaker buying pressure**.

**With a week high (1,415.28) higher than previous week high (1,395.02) and a low (1,396.41) higher than previous week low (1,358.95), can market continue to go upward ?** The higher high and higher low last week (27/8/2010) suggested a friendly scenario, and it should thus help the market in making next attempt to go higher. However, market resistance at 1,420 level can be expected in coming week.

On examination of the market behaviour for the week ended 27/8/2010, the weekly **up close** of **1,411.05** helped to paint a friendly picture onto the chart with **support** pegged at **1,390** and **overhead resistance** at **1,420** level.

A mathematical calculation showed that about **79 %** of the total market trading activity for week ended 27/8/2010 was on the **buying side** compared to **98 %** in the previous week.

### **Conclusion :**

The market action(s) for week ended 27/8/2010 revealed that buying power was **stronger** than selling pressure, FBM KLCI would thus likely to trade **above 1,415.28**.