

Technical Analysis – Weekly FBM KLCI

	25/6/2010	18/6/2010
Open	1,320.78	1,294.89
High	1,335.31	1,317.69
Low	1,318.52	1,294.60
Close	1,326.45	1,317.69
Volume	3.59 bil	2.73 bil
Pivot	1,326.7	1,309.9
1 st Resis.	1,335.0	1,325.3
2 nd Resis.	1,343.5	1,333.0
1 st Supp.	1,318.2	1,302.3
2 nd Supp.	1,309.9	1,286.9
Indicators		
MACD	sell	sell
DM Index	buy	sell
Stochastics	sell	sell

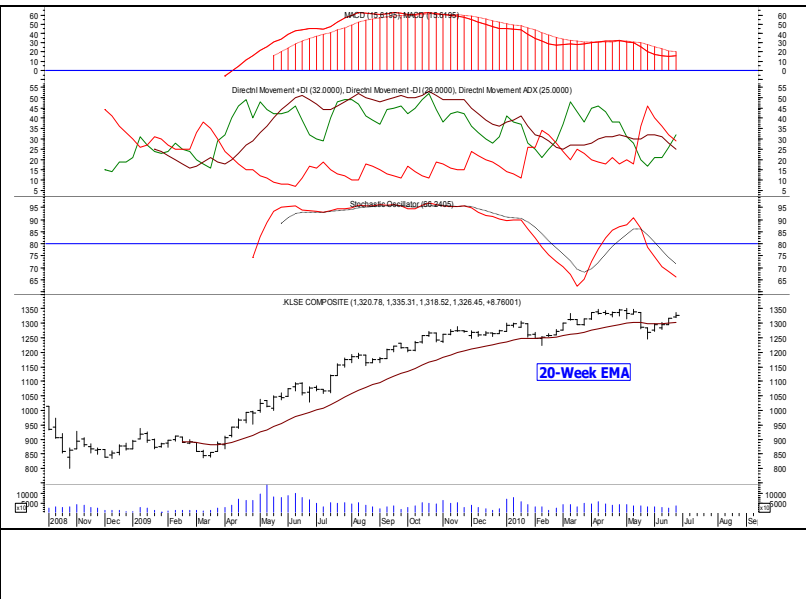


Chart wise : .

..... **66 % of total weekly market trading activity was on buying side**

Weekly Market Commentary :

Affected by the downbeat forecasts from retailers to raise concern in high unemployment and weak consumer spending, DJIA came under renewed selling pressure to go downward after traded to a week high of 10,594.20, the stock index went down to a week low of **10,128.90** before settled at **10,152.80** for the week ended 24/6/2010.

The downward move in Wall Street sent a dampening effect to Bursa Malaysia, FBM KLCI only rose to a week high of 1,335.31 when traders chose to change their game play from buying to selling, that was when market began to decline. KLCI lost about 18 points to a week low of 1,318.52 before settled at **1,326.45** last week.

Total market turnover was **3.59** billion shares for week ended 25/6/2010 compared to **2.73** billion shares in the previous week, the **higher market volume** in an **up close** scenario suggested **stronger buying pressure**.

With a week high (1,335.31) higher than previous week high (1,313.88) and a higher low (1,318.52) than previous week low (1,294.60), can market continue to go upward ? The higher weekly high and higher weekly low last week (25/6/2010) with weekly high penetrated the 20-week MA on settlement basis was a friendly market development, and this should open up more room for traders and investors to play on the upside. However, market looked a bit extended to the upside last week with traders seen reluctant to push the market very far up in the absence of good fundamental evidence backup.

On examination of the market behaviour for the week ended 25/6/2010, the weekly **up close** of **1,326.45** helped to paint a friendly picture onto the chart with **support** pegged at **1,300** and **overhead resistance** at **1,340** level.

A mathematical calculation showed that about **66 %** of the total market trading activity for week ended 25/6/2010 was on the **buying side** compared to the **99 %** in the previous week.

Conclusion :

The market action(s) for week ended 25/6/2010 revealed that buying power was **stronger** than selling pressure, FBM KLCI would thus be making attempt to trade **above 1,335.31** even though there would be selling pressure to push the market down first in this week.