

Technical Analysis – Weekly FBM KLCI

	7/5/2010	30/4/2010
Open	1,344.24	1,336.50
High	1,349.92	1,348.15
Low	1,315.63	1,324.34
Close	1,332.89	1,346.38
Volume	4.23 bil	4.39 bil
Pivot	1,332.8	1,339.6
1 st Resis.	1,350.0	1,354.9
2 nd Resis.	1,367.1	1,363.4
1 st Supp.	1,315.7	1,331.1
2 nd Supp.	1,298.5	1,315.8
Indicators		
MACD	sell	buy
DM Index	buy	buy
Stochastics	buy	buy

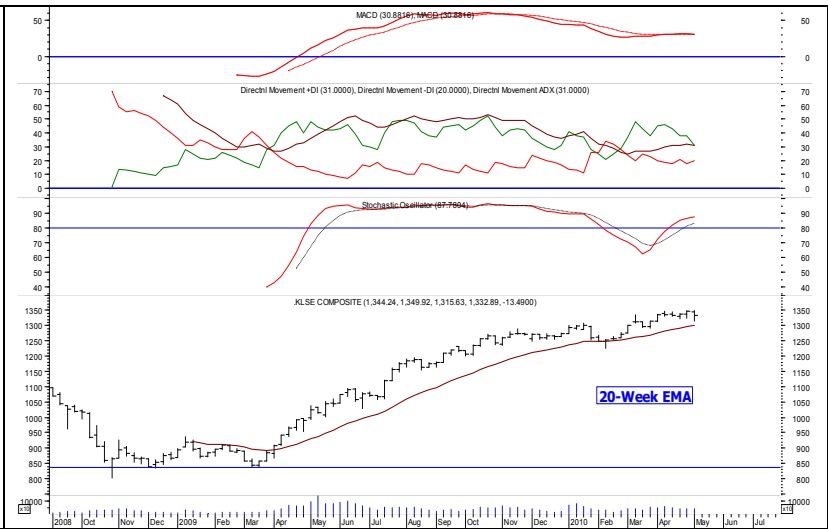


Chart wise : .

.....33% of total weekly market trading activity was on buying side

Weekly Market Commentary :

Dampened by fears of possible failure on Europe's attempt to contain Greece's debt crisis amid positive earnings reports, DJIA lost its grip at 11,000 level with a crash of nearly 10% on an error key in order before recovered to settle at **10,520.32** in the week ended 6/5/2010.

The downside breakout of 11,000 level was an upset to many traders/investors, because the inability on the part of Wall Street to stay above 11,000 hurdle could crimp buying interest psychologically. This ugly market development in Wall Street spilled a negative effect onto Bursa Malaysia, FBM KLCI traded down to lowest low of 1,315.63 since 30/3/2010 before settled at **1,332.89** last week.

Total market turnover was **4.23** billion shares for week ended 7/5/2010 compared to **4.39** billion shares in the previous week, the **smaller market volume** in a **down close** scenario suggested **weaker buying pressure** last week.

With a week high (1,349.92) higher than previous week high (1,348.15) and a lower low (1,315.63) than previous week low (1,324.34), can market continue to rally ? The higher weekly high and lower weekly low last week (7/5/2010) indicated a weakening market scenario, market can thus be expected to see a negative play in coming week.

Many traders may be anticipating a lower market. However, market remained above the 20-week MA line on settlement basis for week ended 7/5/2010.

On examination of the market behaviour for the week ended 7/5/2010, the weekly **down close** of **1,332.89** did not paint a friendly picture onto the chart with **support** pegged at **1,300** and **overhead resistance** at **1,350** level.

A mathematical calculation showed that about **33%** of the total market trading activity for week ended 7/5/2010 was on the **buying side** compared to the **70%** in the previous week.

Conclusion : The market action(s) for week ended 7/5/2010 revealed that buying power was **weaker** than selling pressure, FBM KLCI would thus be likely to o trade **below 1,315.63** this week.