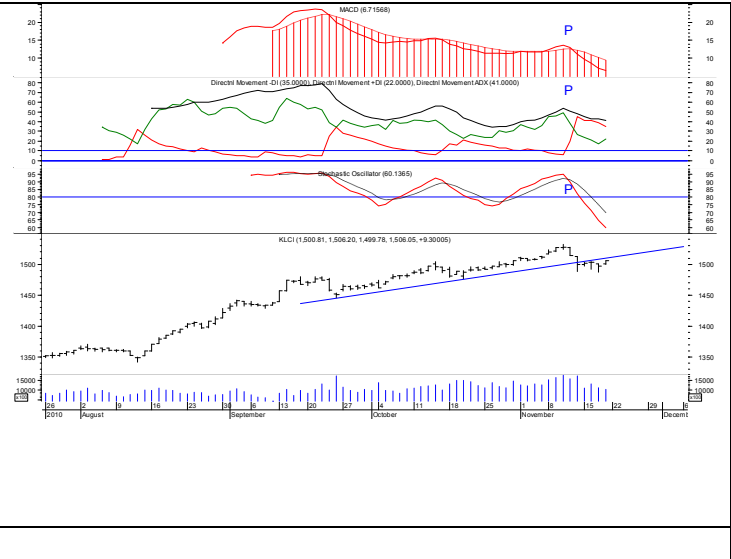


## Technical Analysis – Daily FBM KLCI

	19/11/2010	18/11/2010	
Open	1,500.81	1,500.31	
High	1,506.20	1,500.34	
Low	1,499.78	1,487.21	
Close	1,506.05	1,496.75	
Volume	1,023.7 m	1,123.9 m	
<b>Market Breadth</b>			
Up	467	404	
Down	288	362	
Unchanged	299	288	
<b>Indicators</b>			
MACD	Sell	Sell	
DM Index	sell	sell	
Stochastics	sell	sell	

**Market still below the earlier broken uptrend line .....**

### Market Commentary :

Led by the fastest rate expansion since December 2009 in manufacturing activity in the mid-Atlantic region, and growing confidence that Ireland will resolve its debt crisis, DJIA had on 18/11/2010 gained **173.35** points to close at **11,181.23**.

This triple-digit gain in Wall Street sent a positive signal to Bursa Malaysia in the opening bell on 19/11/2010, FBM KLCI only traded to a low of **1,499.78** as traders decided not to play a selling game in anticipation of higher market. Under greater buying support, stock index rose higher to a day high of **1,506.20** before settled at **1,506.05 on last minute buying of selective blue chip**.

The **rise of 9.40** point(s) in FBM KLCI was attributed to **buying** pressure in blue-chip counters such as **Hong Leong Bank (up RM0.04 to RM9.58)**, **Genting (up RM0.18 to RM10.22)**, **Tenaga Nasional (up RM0.01 to RM8.70)**, **KLK (up RM0.18 to RM20.00)** and **TM (up RM0.01 to RM3.34)**.

### What was the chart saying .....

Market made an unexpected move with a higher low last Friday (19/11/2010) despite the down close scenario in the preceding day (18/11/2010). Well, market can always pull surprises without anyone knowing it ..... market was earlier fighting hard to hold up the market in the face of selling pressures with bearish traders were generally having an upper hand over the bullish traders. Here was a sudden buying interest flowing into the game play on 19/11/2010, **what did it tell us next ?** An immediate expectation of seeing a technical rebound instead of waiting for the stock index to go near 1,475 level first and then make a U-Turn.

It was indeed good to see FBM KLCI climbing back up above 1,500 level on 19/11/2010; but, it remained within the range of the day bar registered on 12/11/2010, which showed that market has yet to come out from the sell-offs on 11/11/2010 and 12/11/2010 at this juncture.

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**Why didn't we see another down close day on 19/11/2010 ?** The upward move on 19/11/2010 was clearly an attempt to erase the downward stretch occurred on 18/11/2010. Since there was this intended buying activity in the game on 19/11/2010, higher market should be seen on Monday (22/11/2010) even though traders may have reached first point of time on 18/11/2010 to make a guess estimate about weak market strength in making a strong comeback after witnessing the way this market carried itself on 15/11/2010 and 16/11/2010.

**Ladies & gentlemen**, market made another move to register a close above 1,503 level last Friday after 16/11/2010; but, it was again not so convincing due to last minute buying of selective blue chip.

### **What were the strong hands doing .....**

A check of internal market strength on 19/11/2010 showed that buying strength *improved* with strong hand(s) seen *acquiring a portion of buying positions*, and the net number of stock positions *liquidated* on *11/11/2010 and 19/11/2010* was about *333% more than* what was *acquired* between 8/11/2010 and 10/11/2010 compared to *480%* in the preceding day.

### **Conclusion :**

**Market outlook remained friendly as KLCI was still trading above 50-day MA with key market support level pegged at 1,475.**

**The analysis of overall daily market action(s) on 19/11/2010 revealed that buying power(s) was stronger compared to selling pressure(s), FBM KLCI would thus likely to trade above 1,506.20.**