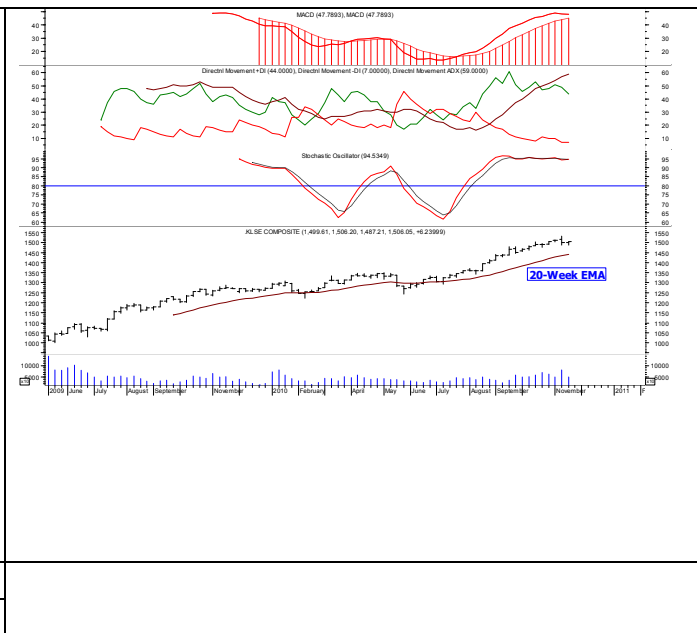


**Technical Analysis – Weekly FBM KLCI**

|                        | 19/11/2010 | 12/11/2010 |
|------------------------|------------|------------|
| Open                   | 1,499.61   | 1,517.01   |
| High                   | 1,506.20   | 1,531.99   |
| Low                    | 1,487.21   | 1,488.06   |
| Close                  | 1,506.05   | 1,499.81   |
| Volume                 | 4.55 b     | 8.20 b     |
| <b>Pivot</b>           | 1,499.8    | 1,506.6    |
| 1 <sup>st</sup> Resis. | 1,512.4    | 1,525.1    |
| 2 <sup>nd</sup> Resis. | 1,518.8    | 1,550.5    |
| 1 <sup>st</sup> Supp.  | 1,493.4    | 1,481.2    |
| 2 <sup>nd</sup> Supp.  | 1,480.8    | 1,462.6    |
| <b>Indicators</b>      |            |            |
| MACD                   | buy        | buy        |
| DM Index               | Buy        | buy        |
| Stochastics            | sell       | sell       |

**Chart wise :**

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

**Weekly Market Commentary :**

Concerns over the need by Ireland to get outside help to repay its debts coupled with a steep drop in housing construction in US in October 2010, DJIA traded down to a low of 10,978.90 in the week ended 18/11/2010 before recovered to settle at **11.181.20**.

The drop in Wall Street sent a negative spill over effect to Bursa Malaysia last week, FBM KLCI traded broke below 1,490 level to a low of **1,487.21** as traders chose to profit take their winning trades. However, bargain hunting activity rolled in to lift the stock index back up to settle off week low at **1,506.05**.

Last week, total market turnover was **4.55** billion shares compared to **8.18** billion shares in the preceding week; thus, the smaller market volume in an up close scenario suggested weaker buying pressure.

**With a week high (1,506.20) lower than previous week high (1,531.99) and a low (1,487.21) lower than previous week low (1,488.06), can market continue to go upward ?** The selling pressure in last week may not be aggressive; but, buying interest was also not seen really in position to prop up the stock index, this somehow gave an indication traders had begun to adopt a cautious stance on the buying side.

On examination of the market behaviour for the week ended 19/11/2010, the weekly **up close** of **1,506.05** helped to paint a friendly picture onto the chart with immediate **support** pegged at **1,485** and **overhead resistance** at **1,532** level.

A mathematical calculation showed that about **66 %** of the total market trading activity for week ended 19/11/2010 was on the **buying side** compared to **30 %** in the previous week.

### **Conclusion :**

The market action(s) for week ended 19/11/2010 revealed that buying power was **weaker** than selling pressure, FBM KLCI would likely go **below 1,487.21 after making a high higher than 1,506.20.**