

**Technical Analysis – Weekly FBM KLCI**

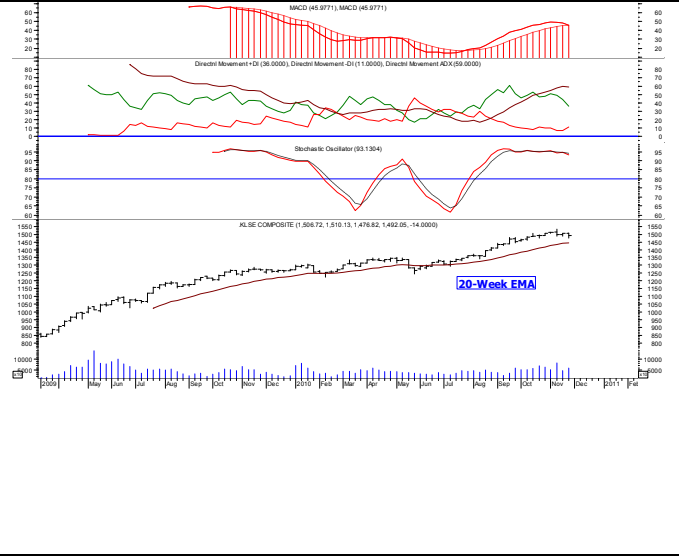
	26/11/2010	19/11/2010	
Open	1,506.72	1,499.61	
High	1,510.13	1,506.20	
Low	1,476.82	1,487.21	
Close	1,492.05	1,506.05	
Volume	5.78 b	4.55 b	
Pivot	1,493.0	1,499.8	
1 st Resis.	1,509.1	1,512.4	
2 nd Resis.	1,526.3	1,518.8	
1 st Supp.	1,475.8	1,493.4	
2 nd Supp.	1,459.6	1,480.8	
Indicators			
MACD	Buy	buy	
DM Index	Buy	buy	
Stochastics	Sell	sell	

Chart wise :

..... **Downward pressure on higher side**

Weekly Market Commentary :

Supported by fundamental signs of improving economy on the back of rising income and consumer spending despite tensions between South Korea and North Korea, Euro Zone debt worries, and Chinese decision to raise bank reserve requirement to trim lending and reduce inflationary pressure, DJIA only traded down to a low of 11,037.40 in the week ended 24/11/2010 before recovered to settle at **11,187.30**.

The rise in Wall Street lent a helping hand to Bursa Malaysia last week, because FBM KLCI recovered from low of 1,476.82 to reach a week high of 1,500.18 under bargain hunting buying interest before settled at **1,492.05**.

Last week, total market turnover was **5.78** billion shares compared to **4.55** billion shares in the preceding week; thus, the higher market volume in a **down close** scenario suggested stronger selling pressure.

With a week high (1,510.13) higher than previous week high (1,506.20) and a low (1,476.82) lower than previous week low (1,487.21), can market continue to go upward ? The selling pressure in last week was aggressive with the low of 1,476.82 this somehow gave an indication that traders had begun to adopt a selling game play last week.

On examination of the market behaviour for the week ended 26/11/2010, the weekly **down close** of **1,492.05** did not paint a friendly picture onto the chart with immediate **support** pegged at **1,450** and **overhead resistance** at **1,511** level.

A mathematical calculation showed that about **27 %** of the total market trading activity for week ended 26/11/2010 was on the **buying side** compared to **66 %** in the previous week.

Conclusion :

The market action(s) for week ended 26/11/2010 revealed that buying power was **weaker** than selling pressure, FBM KLCI would thus be likely to attempt to go **below 1,476.82**.