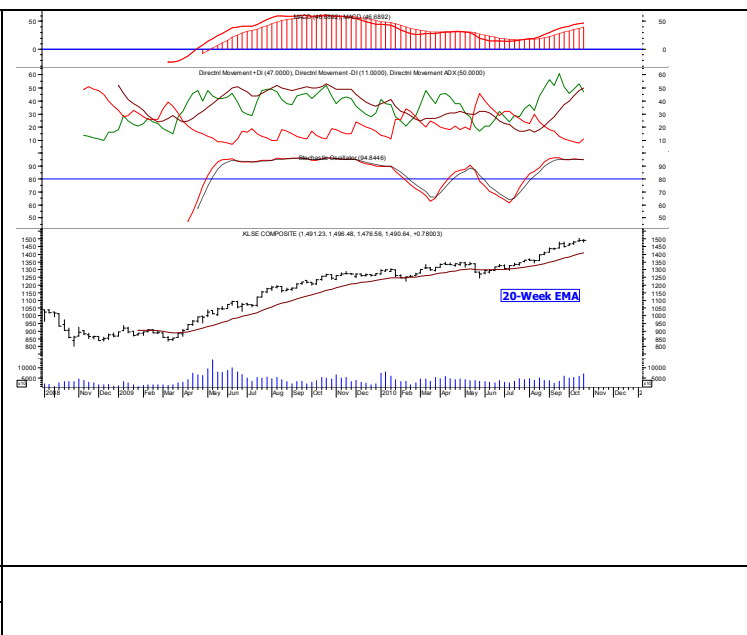


**Technical Analysis – Weekly FBM KLCI**

	22/10/2010	15/10/2010
Open	1,491.23	1,486.14
High	1,496.48	1,503.82
Low	1,476.56	1,484.30
Close	1,490.64	1,489.86
Volume	6.97 b	5.75 b
Pivot	1,487.8	1,492.6
1 st Resis.	1,499.2	1,501.0
2 nd Resis.	1,507.8	1,512.1
1 st Supp.	1,479.3	1,481.5
2 nd Supp.	1,467.9	1,473.1
Indicators		
MACD	Buy	buy
DM Index	Buy	buy
Stochastics	sell	sell

**Chart wise :**

..... **48 % of total weekly market trading activity was on buying side**

Weekly Market Commentary :

Led by a weaker US dollar, the first interest rate hike in China in 3 years to fight inflation without leading to a drop in Shanghai Composite Index and better corporate earnings reports, DJIA traded higher to a high of **11,213.50** for the week ended 21/10/2010 before settled at **11,146.6**.

The gains in Wall Street was kind of neutral to Bursa Malaysia last week, FBM KLCI dipped below 1,500 level to reach a low of **1,476.56** as traders decided to lock in a portion of their winning trades. However, weak follow thru selling pressure in area of **1,476.56** prompted bargain hunting interest to roll in, and this lifted stock index to a high of **1,496.48** before settled at **1,490.64**.

Last week, total market turnover was **6.97** billion shares compared to **5.75** billion shares in the preceding week; thus, the **bigger market volume in an up close scenario** suggested **stronger buying pressure**.

With a week high (1,496.48) lower than previous week high (1,503.82) and a low (1,476.56) lower than previous week low (1,484.30), can market continue to go upward ? Buying support continued be presence; however, selling pressure in area of 1,500 level due to profit taking activity was also visibly strong, and bullish traders seen to have an upper hand over bearish traders last week.

On examination of the market behaviour for the week ended 22/10/2010, the weekly **up close** of **1,490.64** helped to paint a friendly picture onto the chart with immediate **support** pegged at **1,460** and **overhead resistance** at **1,500** level.

A mathematical calculation showed that about **48 %** of the total market trading activity for week ended 22/10/2010 was on the **buying side** compared to **59 %** in the previous week.

Conclusion :

The market action(s) for week ended 22/10/2010 revealed that buying power was **weaker** than selling pressure, FBM KLCI would thus be likely to make attempt to trade **below 1,476.56**.