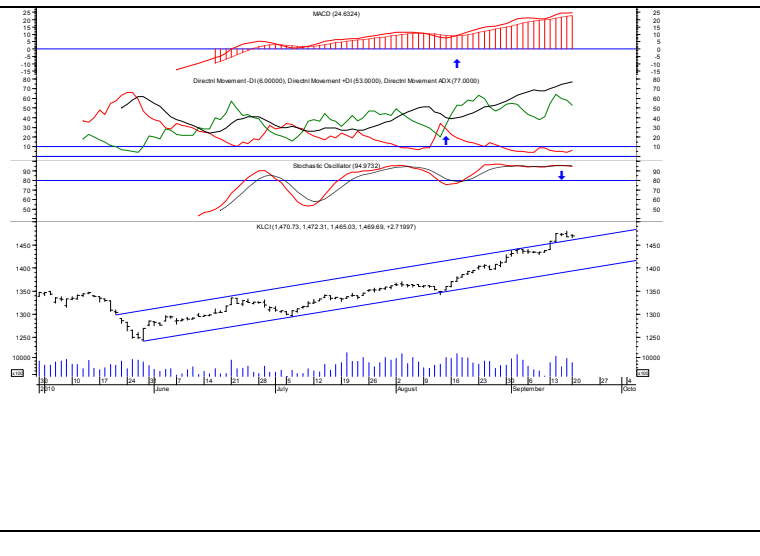


## Technical Analysis – Daily FBM KLCI

	20/9/2010	17/9/2010
Open	1,470.73	1,473.84
High	1,472.31	1,479.59
Low	1,465.03	1,466.97
Close	1,469.69	1,466.97
Volume	850.7 m	967.5 m
<b>Market Breadth</b>		
Up	316	446
Down	417	296
Unchanged	269	268
<b>Indicators</b>		
MACD	buy	buy
DM Index	buy	buy
Stochastics	sell	sell



### Trying to keep market "stable".....

#### Market Commentary :

Dampened by a decline in consumer confidence measured by University of Michigan despite the surprising strong profit news of Oracle Corp. and Research in Motion Ltd., DJIA had on 17/9/2010 gained 13.02 points to close at 10,607.85.

The double-digit rise in Wall Street sent friendly signal to Bursa Malaysia in the opening bell on 20/9/2010, FBM traded into 1,470 zone with a day high of **1,472.31** as some traders took the chance to play a buying game in anticipation of higher market. However, non-follow through buying support in area of **1,472.31** prompted selling pressure to roll in, this pushed stock index back below 1,470 level to **1,465.03** before rebounded to settle at **1,469.69** on last minute buying of selective blue chip stock(s).

The **fall** of **2.72** point(s) in FBM KLCI was attributed to **selling** pressure in blue-chip counters such as **KLK** (down **RM0.12** to **RM16.98**), **Maybank** (down **RM0.03** to **RM8.71**), **RHB Cap** (down **RM0.04** to **RM7.00**), **PB Bank** (down **RM0.06** to **RM12.70**) and **Bursa Malaysia** (down **RM0.07** to **RM7.69**).

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

Market did not trade higher yesterday (20/9/2010) in spite of making to the highest high of 1,479.59 since 17/1/2008 on 17/9/2010. It was **not** a **surprise** to see a lower high market move on 20/9/2010, because the down close scenario on 17/9/2010 indicated increased selling interest following the inside day bar on 15/9/2010. And, we asked the question ....

**Why didn't the stock index continue to go higher on 15/9/2010 especially when there was an improved buying activity with a market volume exceeded 1 billion shares on 14/9/2010 ?** Theoretically, market should continue its' up north journey yesterday (15/9/2010);

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but, the market somehow just knew how to choose the timing of when to stage a follow thru. In this case, local market apparently had chosen to take the lead from down close in Wall Street to start their game play on 15/9/2010 with profit taking instead of bulldozing the market with another spectacular gain.

**What would be the one thing in traders' mind right now after making to a high of 1,474.44 on 14/9/2010 ?** Well, the rally to 1,474.44 had certainly made many investors happy again; but, one thing for sure the market run up would raise the **question** of whether this was a **sustainable rally** or just as another move to the top of a trading range (1,500 – 1,530). **The answer would be to approach the market with caution despite the bullish trading sentiment.**

**So, the higher market to 1,479.59 on 17/9/2010 followed by weak down close was a sign of seeing a continuing higher level on 20/9/2010 ?** The way market acted on 17/9/2010 implied the emergence of selling pressure, and the buying strength somehow was not really being felt after 14/9/2010. **A consolidation was seen made in an effort to neutralise the demand-supply relationship created, for the stock index had run up about 45 points since the day low of 1,428.66 on 8/9/2010.**

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

A check of internal market strength on 20/9/2010 showed that buying strength **weakened** with strong hand(s) seen **disposing another portion of buying positions**, and the net number of stock positions **acquired** from 9/9/2010 to **20/9/2010** was about **101%** of what was disposed between 2/9/2010 and 8/9/2010 compared to **114%** in the preceding day.

### **Conclusion :**

**Market outlook remained friendly as KLCI was still trading above 50-day MA with key market support level to remain at 1,395; but, 1,450 level should act as immediate support.**

**The analysis of overall daily market action(s) on 20/9/2010 revealed that buying power(s) was weaker compared to selling pressure(s), FBM KLCI would thus likely to trade below 1,465.03.**