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(A Participating Organisation of Bursa Malaysia)

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MARKET FLASH

Tuesday, 9 Aug 2011

FBM KLCI DAILY CHART



TECHNICAL INDICATIONS

Support : 1480 **Resistance : 1530**
Bias : Downtrend

Despite the FBMKLCI's selldown, there are still no signs of a rebound and the downtrend looks to resume with the next realistic support at 1480. Any rebound would be short lived with the level of 1530 and 1565 the next resistance. Until the market run the full course of its current correction, traders are better off waiting for the storm to blow over.

COMMENTARY

Bears on the loose ... The market suffered another day of setback as concerns arose over the downgrade of US credit rating by Standard & Poors. Regional markets that had rebounded from oversold positions were once again sold down as traders scurried for the exit. On the local front, losers outpaced gainers 1051 to 67 while volume increased. Under the depressed market situation, bears are likely to rule for a while.

Heading south ... The composite index opened with a bearish down candle from its previous day's closing, in tandem to the weaker regional markets. As observed earlier, it had already breached all the short-term moving averages and is heading south further.

MARKET STATISTICS

	Close	Chg.
LOCAL		
FBM KLCI	1,496.99	(27.44)
Volume (m)	1937	
Value (RMm)	3612	
Up	67	
Down	1051	
Unchanged	99	
FOREIGN		
Nikkei	9097.56	(202.32)
Hang Seng	20490.57	(455.57)
STI	2884.00	(110.78)
Shanghai CI	2526.82	(99.61)
BURSA MOVERS		
Gainers		
Nestle	47.60	0.48
LebTech	1.20	0.20
Shell	10.28	0.16
SwkPlnt	2.37	0.13
FCW-WB	0.235	0.105
Losers		
UtdPlt	19.00	(0.62)
GenP	7.15	(0.61)
Bkawan	15.60	(0.60)
Dlady	18.10	(0.60)
MHB	6.94	(0.57)
Actives		
Axiata	4.99	(0.08)
UEMLand	2.16	(0.21)
CIMB	8.30	0.01
Pchem	6.43	(0.16)
Armada	3.88	(0.12)

Current Stock Review

Trading Sell– Tan Chong Motor Holdings Bhd.



Chart wise:

Tan Chong Motor Holdings Bhd (4405) – Consumer Products – RM4.72.

The selling wave prevalent in the market had taken its toll on Tan Chong. We last recommend Tan Chong as a trading buy opportunity with a trading support at RM4.80. With the RM4.80 support now broken, the trade is therefore nullified and traders are advised to minimize their losses as more losses could unfold over the next few days.

The share price is rebounding from its intraday low of RM4.68 but will likely be capped at RM4.80 support turned resistance as the indicators had generally hooked down in line with the weaker sentiment. A trading sell.