



Mercury Securities Sdn. Bhd.(113193-W)

(A Participating Organisation of Bursa Malaysia)

Butterworth Office

Wisma Umno
Lorong Bagan Luar 2
12000 Butterworth
Seberang Perai
Tel: 04-3322123

KL Branch

L-7-2, No.2 Jln Solaris
Solaris Mont' Kiara
50480 Kuala Lumpur
Tel: 03-62037227

Melaka Branch

No 81B & 83B
Jalan Merdeka
Taman Melaka Raya
75000 Melaka
Tel: 06-2921898

Penang Branch

2nd Floor
Std Chartered Bank
2 Lebuhr Pantai
10300 Penang
Tel: 04-2639118

Johor Branch

Suite 17.1 Level 17
Menara Pelangi
Tmn Pelangi
80400 Johor Bahru
Tel: 07-3316992

MARKET FLASH

Friday, 29 July 2011

FBM KLCI DAILY CHART



TECHNICAL INDICATIONS

Support : 1543, 1525 **Resistance : 1570**
Bias : Downtrend

The key index is looking increasingly frail after its candle fell back inside the uptrend channel and with its indicators slipping lower, the consolidation looks to continue with the support of 1543 coming into play. If it gives way, then the support moves to 1525.

COMMENTARY

FBMKLCI slips further, but warrants shine ... For the second successive day, the market succumbed to a selling spell with many heavyweights extending their losses. Part of the consolidation was due to the weakness in regional bourses, but the heightened interest on warrants diverted attention from the main board. Warrants were particularly in favor among retail clients with Armada-CB and CC registering strong gains on high volumes. Other like Ingress and Yinson also flourished on speculative interest.

More of the same ... Although the key index is faltering, sentiments are hardly affected as most investors are concentrating on the lower liners and warrants, thus keeping market interest on a robust mode.

MARKET STATISTICS

	Close	Chg.
LOCAL		
FBM KLCI	1,551.91	(6.26)
Volume (m)	1063	
Value (RMm)	1745	
Up	290	
Down	480	
Unchanged	274	
FOREIGN		
Nikkei	9901.35	(145.84)
Hang Seng	22570.74	29.05
STI	3189.85	(3.69)
Shanghai CI	2708.78	(14.71)
BURSA MOVERS		
Gainers		
Nestle	47.68	0.26
Metalr	0.60	0.15
Yinson	2.31	0.12
Ingress	0.97	0.115
Armada-CA	0.39	0.114
Losers		
F&N	19.24	(0.34)
Tasek	7.76	(0.29)
BAT	46.36	(0.20)
PPB	17.30	(0.20)
UtdPlt	20.00	(0.20)
Actives		
Armada-CB	0.30	0.063
DutaInd-WA	0.165	0.06
CIMB	8.31	(0.08)
Armada-CC	0.355	0.058
Hubline	0.095	0.01

Current Stock Review

Trading buy – **Zelan Bhd.**

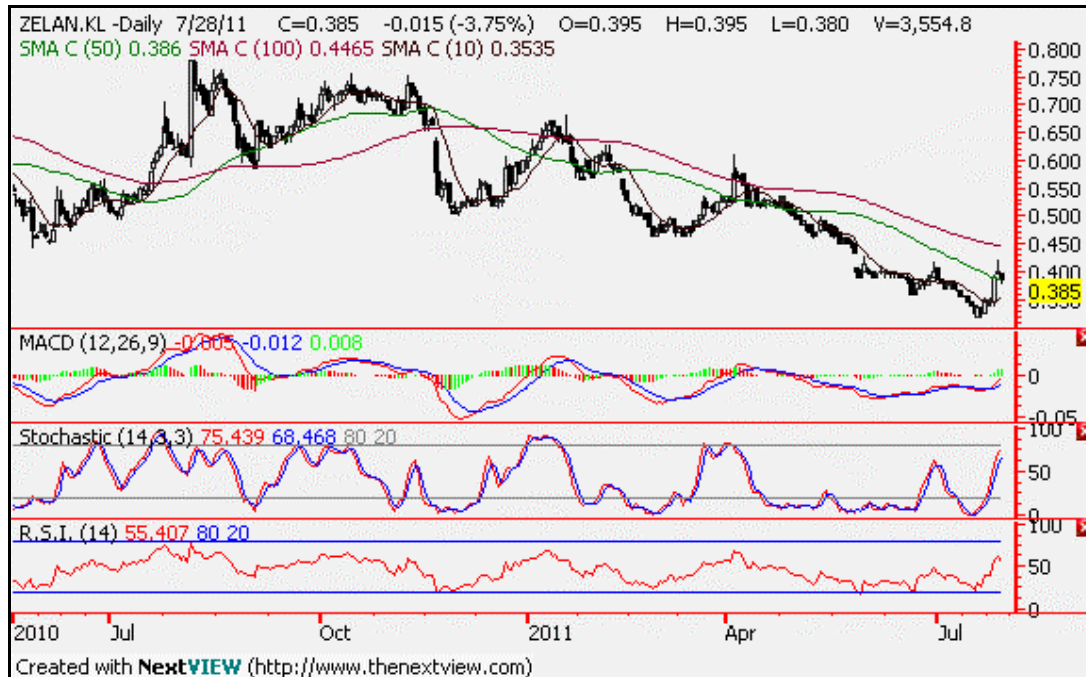


Chart wise:

Zelan Bhd (3948) – Construction – RM0.385.

Zelan Bhd was not left out in the recent penny stocks rally and despite the gains made so far, we are of the opinion that there are more upsides in its share price. Breaking out from below the short and medium-term moving averages, the prospects are good for Zelan to test the upper level of the channel at around RM0.40.

Corrections are expected along the way, but are expected to be minor given the new burst of buying activities. Furthermore, Zelan is supported by favorable mix of fundamentals. A Trading buy.