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(A Participating Organisation of Bursa Malaysia)

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MARKET FLASH

Monday, 17 Oct 2011

FBM KLCI DAILY CHART



TECHNICAL INDICATIONS

Support : 1400, 1353 **Resistance : 1448, 1480**
Bias : Downtrend

Despite the hint of weakness, we are not pressing the alarm bells as yet and the bearishness can still be neutralized if the buying momentum is maintained. A healthy correction is needed for the bulls to refuel before they can take prices higher. Hopes for the market to build up its base are still intact as the candles are within our range of 1400-1450 levels.

COMMENTARY

Down again ... The market failed to hold on to the gains it attained for the past three days as the key index dipped in modest trade. However, the market started on a bright note, rising nearly 3 points, but by mid morning trading turned cautious with most investors staying on the sidelines. The insipid regional markets were of little help as they too slipped. Back home, trading volumes were modest. With losers and gainers on an even keel.

At the crossroads again ... The market's inability to stage a sustained recovery has once again left it at the crossroads. There is also a hint of bearishness with Friday's weaker close and this may lead to investors waiting for clearer market direction.

MARKET STATISTICS

	Close	Chg.
LOCAL		
FBM KLCI	1442.43	(2.44)
Volume (m)	1074.8	
Value (RMm)	1223.5	
Up	368	
Down	365	
Unchanged	260	
FOREIGN		
Nikkei	8747.96	(75.29)
Hang Seng	18501.79	(256.02)
STI	2744.17	10.20
Shanghai CI	2431.37	(7.42)
BURSA MOVERS		
Gainers		
Digi	32.00	1.12
HILFG	11.58	0.48
Mflour	7.40	0.40
Atlas	3.20	0.20
Tahps	4.10	0.20
Losers		
Eng	1.80	(0.20)
Fareast	6.80	(0.15)
Subur	2.13	(0.14)
Genm	3.65	(0.13)
Genting	9.90	(0.12)
Actives		
OSK	1.77	0.09
YTLLand-CA	0.01	0.005
KUB	0.715	0.065
Timecom	0.58	0.01
Zelan	0.35	0.04

Current Stock Review

Trading buy – Zelan Bhd.



Chart wise:

Zelan Bhd (2283) – Construction – RM0.35.

Zelan was not left out in the recent penny stocks rally and despite the gains made so far we are of opinion that there are more upsides in its share price. Breaking out from below the short and medium term moving averages for the first time in six months, the prospects are good for Zelan to test the upper level of the channel at around RM0.39.

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