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(A Participating Organisation of Bursa Malaysia)

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MARKET FLASH

FBM KLCI DAILY CHART



TECHNICAL INDICATIONS

Support : 1400

Resistance : 1487,1500

Bias : Uptrend

Given the current concerns, it is unlikely that the market gloom will be easily lifted and the downtrend will remain a feature for now. Any rebound would be short-lived. On the chart, the candles have started to reverse with its indicators on the slide. Supports are seen around Oct 10-Oct 11 level which are around 1,400 points.

COMMENTARY

No follow through, market slumps on renewed selling ...

The anticipated follow through failed to materialize with the market slumping instead as selling became widespread. The selling was reportedly by funds. The overnight drop in Dow contributed to the sell-down, which saw losers holding a significant upper hand by trouncing gainers by a wide margin. As expected, heavyweights bore the brunt on the sell-down with KLK, Sime and Tenaga contributing to the bulk of the losses.

Nowhere to go, but down ... We had earlier hoped for a follow through support to help lift some of the dreary mood that is engulfing the market, but it was not to be.

Wednesday, 19 Oct
2011

MARKET STATISTICS

	Close	Chg.
LOCAL		
FBM KLCI	1439.94	(25.41)
Volume (m)	1359.2	
Value (RMm)	1369.1	
Up	145	
Down	705	
Unchanged	173	

FOREIGN

Nikkei	8741.91	(137.69)
Hang Seng	18076.46	(797.53)
STI	2724.69	(54.28)
Shanghai CI	2383.49	(56.92)

BURSA MOVERS

Gainers	Close (RM)	Chg (RM)
Pacmas	3.40	0.33
TWS	8.55	0.18
LMCemnt	7.27	0.18
Leader	0.985	0.145
SHL	1.34	0.13

Losers	Close (RM)	Chg(RM)
PPB	16.50	(0.44)
KLK	20.70	(0.28)
Sime	8.65	(0.25)
ComCorp	0.13	(0.24)
Tenaga	5.35	(0.22)

Actives	Close (RM)	Chg(RM)
Harvest	0.255	0.05
HWGB	0.39	0.01
HWGB-WB	0.29	0.015
SCN	0.11	0.015
Harvest-WA	0.10	0.02

Current Stock Review

Sell – Eng Teknology Bhd.



Chart wise:

Eng Teknologi Holdings Bhd (8826) – Technology – RM1.54.

Due to concerns over the flooding of its manufacturing facility in Thailand, its share price plummeted to a low of RM1.52 yesterday and the recovery in the flood situation and earnings should provide renewed support and base for the recovery process. However, as the indicators are coming from extended oversold positions, it may take time for the recovery to materialize.

Meanwhile, we expect Eng Teknologi to find support at RM1.40, while its first target is RM1.70. There was a gap created about a week ago when Eng Tek opened at RM1.89 compared to the previous low at RM1.94. For a start, the gap is expected to be filled as Eng regained its lost ground.