



# Mercury Securities Sdn. Bhd. (113193-W)

(A Participating Organisation of Bursa Malaysia)

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# MARKET FLASH

Thursday, 6 Oct 2011

## FBM KLCI DAILY CHART



### TECHNICAL INDICATIONS

**Support : 1350, 1320      Resistance : 1380, 1400**  
**Bias : Downtrend**

*Technically, the positive undertones are present with the candle trading between the 1,350 and the 1,390 level and downtrend line resistance of 1,380. If breached, then the recovery would continue, otherwise the runup will be nullified. Beyond the 1,380 resistance, the other resistance is at 1,400 psychological level.*

### COMMENTARY

**Buying flourishes** ...It was by far one of the better days for market participants in a long while as the key index gained more than 1 % on a combination of renewed buying of many beaten down stocks as well as interest on blue chips. The runup was also partly fuelled by rebounding Asian markets, which helped to draw in traders and punters alike, chasing up lowly priced second and third liner stocks. Adding conviction to the runup is the gainers overwhelming lower by a margin of nearly 2-to-1,

**Pre Budget rally beckons?** ... Yesterday's runup is certainly encouraging as it helped to break the bearish spell that has plagued the market for the past month. It has also raised hopes for a pre Budget rally as buying interest is returning.

## MARKET STATISTICS

	Close	Chg.
<b>LOCAL</b>		
FBM KLCI	1,375.67	14.29
Volume (m)	697.6	
Value (RMm)	1089.1	
Up	435	
Down	247	
Unchanged	263	
<b>FOREIGN</b>		
Nikkei	8382.98	(73.14)
Hang Seng	16250.27	-
STI	2528.71	(2.31)
Shanghai CI	2359.22	-
<b>BURSA MOVERS</b>		
<b>Gainers</b>		
Panamy	19.30	0.42
BAT	43.84	0.42
Digi	30.00	0.34
MHB	5.28	0.27
IJM	4.74	0.20
<b>Losers</b>		
BAT	43.42	(0.70)
PPB	16.06	(0.42)
LMCemnt	6.53	(0.37)
IJM	4.54	(0.35)
KLK	20.16	(0.34)
<b>Actives</b>		
Kbunai	0.125	0.005
Gpro	0.155	0.000
Axiata	4.80	0.16
Focus	0.085	0.005
IRCB	0.155	0.005

## Current Stock Review

### Trading Buy on weakness– DRB Hicom Bhd.



#### Chart wise:

#### DRB Hicom Bhd (1619) – Industrial Products – RM1.69.

DRB Hicom's share price has been on the downtrend since forming a double top four to five months ago. Its downtrend is also in a channel formation and the falls has brought the stock to near its RM1.70 level. However, there seems to be support as there is not much selling momentum seen at the current share price level.

The slight recovery has also helped its momentum indicators to turn up, especially the oversold stochastic. This may be a prelude for further recoveries in the short-term, but the upsides do not appear strong for now and the candle may continue to track the short-term downtrend line. Still, this provides Trading buy on weakness opportunities so long as it stays above the trendline. The resistance is RM1.80. The support, meanwhile, is at RM1.65.