

15 January 2024

By **Cheow Ming Liang** | [cheowml@kenanga.com.my](mailto:cheowml@kenanga.com.my)

**Weekly Technical Highlights – FBM KLCI**

**Weekly Charting – FBMKLCI**



Source: TradingView

Key Support & Resistance Levels:	
Last Price	: 1,487.34
Resistance	: 1,500 (R1)                      1,504 (R2)
Support	: 1,470 (S1)                          1,465 (S2)
Weekly view	NEUTRAL to DOWNSIDE BIAS

**FBM KLCI (NEUTRAL to DOWNSIDE BIAS)**

- The FBM KLCI started the week on a positive trajectory, surpassing the significant 1,500 level and peaking at 1,503.94, aligning with its 200-week SMA, on Tuesday. Despite this early surge, the momentum failed to maintain due to profit-taking and a resurgence in foreign funds selling, leading the index to a slight week-on-week dip, closing at 1,487.34 (-0.02%).
- The upcoming week is anticipated to be heavily influenced by key economic events, with the Davos World Economic Forum taking center stage. Additionally, the U.S. Beige Book report is scheduled for release on Thursday, while Malaysia's advanced 4Q GDP estimate is expected on Friday. Any negative data or comments emerging from these events could significantly impact the current optimistic market outlook.
- Technically, the FBM KLCI retreated from its recent peak of 1,503, forming a 'Doji' pattern in its weekly chart last Friday, which reflects uncertainty of its future trajectory. The index's inability to surpass the significant 1,504 resistance level, which corresponds with its 200-week SMA, combined with an overbought stochastic indicator, suggests a high probability of continued pullback in the coming week.
- The index is expected to fluctuate between 1,465 and 1,500 this week, with a tendency towards the downside. Key resistance levels are identified at 1,500 and then 1,504. On the lower end, a breach below the critical 1,470 support level, aligning with its previous high, could trigger a further drop to around 1,465, consistent with its 5-week SMA.

This document has been prepared for general circulation based on information obtained from sources believed to be reliable but we do not make any representations as to its accuracy or completeness. Any recommendation contained in this document does not have regard to the specific investment objectives, financial situation and the particular needs of any specific person who may read this document. This document is for the information of addressees only and is not to be taken in substitution for the exercise of judgement by addressees. Kenanga Investment Bank Berhad accepts no liability whatsoever for any direct or consequential loss arising from any use of this document or any solicitations of an offer to buy or sell any securities. Kenanga Investment Bank Berhad and its associates, their directors, and/or employees may have positions in, and may effect transactions in securities mentioned herein from time to time in the open market or otherwise, and may receive brokerage fees or act as principal or agent in dealings with respect to these companies. Kenanga Investment Bank Berhad being a full-service investment bank offers investment banking products and services and acts as issuer and liquidity provider with respect to a security that may also fall under its research coverage.

Published by:

**KENANGA INVESTMENT BANK BERHAD (15678-H)**

Level 17, Kenanga Tower, 237, Jalan Tun Razak, 50400 Kuala Lumpur, Malaysia

Telephone: (603) 2172 0880 Website: [www.kenanga.com.my](http://www.kenanga.com.my) E-mail: [research@kenanga.com.my](mailto:research@kenanga.com.my)