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Weekly Technical Highlights – FBM KLCI

Weekly Charting – FBMKLCI



Source: TradingView

Key Support & Resistance Levels:	
Last Price	: 1,551.04
Resistance	: 1,565 (R1) 1,570 (R2)
Support	: 1,538 (S1) 1,527 (S2)
Weekly view	Downward bias

FBM KLCI (Downward bias)

- Last week, the FBM KLCI slightly declined by 0.37% to close at 1,551.04, impacted by cautious investor sentiment amid regional volatility during a shortened trading week. However, market stability was notable on Friday when trading resumed post-Raya break, showing resilience despite the release of higher-than-expected US CPI data mid-week, which suggested prolonged high interest rates. Interest in buying remained primarily in sectors like property, technology, and infrastructure.
- This week, market volatility is expected to increase due to worsening tensions between Iran and Israel, impacting investor sentiment. Additionally, major US corporations like Goldman Sachs, Johnson & Johnson, Netflix, and TSM are set to release their 1QCY24 financial results, which could provide insights into the US's financial health for the 1Q. Domestically, the key event will be the release of the 1QCY24 GDP this Friday, with Bloomberg estimates a growth rate of between 2.9% to 3.9% YoY for the nation's economy.
- Technically, the FBM KLCI has maintained its resilience, consistently staying above its 5-week SMA, which suggests that the upward trend is still intact. However, the weekly stochastic indicator remains in the overbought territory, and the 14-week RSI is beginning to show some divergence. This divergence hints at a potential pullback on the horizon.
- In short, we expect increased market volatility with a potential downward shift this week. Key immediate support levels are set at 1,538 and 1,527. On the flip side, resistance levels are anticipated at 1,565 and 1,570.

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