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Weekly Technical Highlights – FBM KLCI

Weekly Charting – FBMKLCI



Source: TradingView

Key Support & Resistance Levels:	
Last Price	: 1,547.57
Resistance	: 1,565 (R1) 1,570 (R2)
Support	: 1,540 (S1) 1,527 (S2)
Weekly view	Downward bias

FBM KLCI (Downward bias)

- Last week, the FBM KLCI retreated marginally lower to 1,547.57 (-0.22% WoW), in line with the weak regional markets, influenced by rising US treasury yield as a result of hawkish statements from Fed officials, escalating geopolitical tension in the Middle East, and weak US corporate earnings guidance, especially from tech-related names. Despite challenging macro-outlook, the slightly revised Malaysia’s 2024 GDP to 4.4% (from 4.3% previously) by the International Monetary Fund (IMF), and the release of a decent 1QCY24 GDP of 3.9% (vs. 3.0% in 4QCY23), provided some stability to the market.
- This week, market volatility is expected to rise due to rising US Treasury yields, ongoing geopolitical tensions in the Middle East and growing threat of US-China trade restrictions. Additionally, major US tech firms like Tesla, Meta, IBM, Microsoft, Alphabet, and Intel are scheduled to release their financial results. The performance of these companies could significantly impact regional markets given the recent market rally fuelled largely by AI-related optimism.
- Technically, the FBM KLCI appears to be forming a triple-top chart pattern. Given this, it’s expected that the index will continue its consolidation phase in the near term. Investors are advised to maintain a cautious approach to trading, watching closely for the index to break above or below key resistance or support levels before making significant moves.
- In short, we expect higher market volatility with a potential downward shift this week. Key immediate support levels are set at 1,540 and 1,527. On the flip side, resistance levels are anticipated at 1,565 and 1,570.

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