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Weekly Technical Highlights – FBM KLCI

Weekly Charting – FBMKLCI



Source: TradingView

Key Support & Resistance Levels:

Last Price	: 1,617.86	
Resistance	: 1,632 (R1)	1,647 (R2)
Support	1,615 (S1)	1,600 (S2)
Weekly view	Choppy with potential downward bias	

FBM KLCI

- The FBM KLCI fluctuated but ended higher last week, rising over 1% on Tuesday due to bargain hunting after a selloff. It stayed above the 1,600 mark with strong buying seen in the utilities, health care, and technology sectors as well as the data center-related counters. By Friday, the index rose 21.18 points (1.3%) to 1,617.86. However, market turnover fell to 19.82b units worth RM15.89b, down from 26.03b units worth RM22.25b the previous week.
- Looking ahead, the local market direction will likely depend on the US market, which is expected to be choppy due to the upcoming Fed meeting and inflation reports on Wednesday. Additionally, US bond yields above 4.5% could threaten global equity rallies. On the local front, attention may focus on the ongoing developments regarding the status of the six Bersatu MPs who recently had their party memberships revoked.
- Technically, the index rebounded from its 5-week SMA and stayed above the key 1,615 resistance-turned-support level, indicating a short-term upward trend. However, weekly stochastic and RSI indicators remain in the overbought zone, suggesting potential market fatigue despite the bullish trend.
- In summary, we expect higher market volatility with a potential downward bias, mirroring the US market performance this week. Key support levels are at 1,615 and the psychological 1,600, while resistance is at 1,632 and then 1,647. The recent rally, driven by global AI enthusiasm, highlights the need to monitor US Mega Caps like MSFT, NVDA, and AAPL, which comprise over 20% of the S&P 500's value. Any disappointment from these stocks could impact global markets, including Malaysia's market direction.

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