

15 July 2024

By **Cheow Ming Liang** | cheowml@kenanga.com.my

Weekly Technical Highlights – FBM KLCI

Weekly Charting – FBMKLCI



Source: TradingView

Key Support & Resistance Levels:	
Last Price	: 1,619.06
Resistance	: 1,628 (R1) 1,632 (R2)
Support	: 1,615 (S1) 1,600 (S2)
Weekly view	Upward bias

FBM KLCI

- As expected, the FBM KLCI continued its upward trajectory last week, buoyed by continuous support from foreign funds and improved market sentiments. The benchmark index added 0.5% last week to 1,619.06, with construction, technology, and property leading the gains, up by 4.8%, 1.8% and 1.5%, respectively. The MYR also hit a high of 4.667 against the US dollar on last Friday, its highest level since 16 January.
- Moving forward, market confidence of a September US rate cut has reignited optimism. This week's market sentiment will be influenced by earnings reports from key global tech companies like ASML and TSM, which could impact local data center investment enthusiasm. Additionally, attention will be on Malaysia's 2Q advanced GDP estimate, set for release on Friday, which could further sway market sentiment.
- Technically, the benchmark index has held firmly above its key 5-week SMA and the immediate resistance-turned-support level of 1,615, signalling a potential continuation of the bullish trend. Weekly stochastic and RSI indicators are trending upwards, and the improved SmartMCDX index further reinforces near-term strength.
- In short, we expect the market to retain its upward trajectory this week, supported by continuous foreign fund inflows. However, investors should closely watch the earnings and outlooks of US tech companies and the financial performance of local data center beneficiaries, which have driven the recent rally. Key resistance levels are at 1,628, followed by the recent high of 1,632. Key support levels are at 1,615 and the psychological 1,600.

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 E-mail: research@kenanga.com.my