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Weekly Technical Highlights – FBM KLCI

Weekly Charting – FBMKLCI



Source: TradingView

Key Support & Resistance Levels:

Last Price	: 1,612.88	
Resistance	: 1,615 (R1)	1,632 (R2)
Support	1,609 (S1)	1,600 (S2)
Weekly view	Heightened volatility with a downside bias	

FBM KLCI

- As expected, the FBM KLCI reversed its recent upward trend, ending the week with a modest decline of 1.45% (or -23.67 points) to 1,612.88 after profit-taking resumed, extending its losing streak since Wednesday. The dip was broad-based, with technology, construction, telecommunication, and industrial sectors all falling by more than 2.5% last week. Weekly turnover decreased to 2.32b units valued at RM15.6b, compared to 25.2b units valued at RM18.8b in the previous week.
- Looking ahead, the market direction is expected to be influenced by external factors, with the FOMC and BOJ monetary policy meetings in focus. Additionally, major mega-cap technology companies such as Apple, Amazon, PayPal, Meta, Microsoft, Intel, and AMD are set to announce their latest quarterly earnings this week. On the domestic front, corporate earnings reports from Westports, Bursa, and F&N are anticipated.
- Technically speaking, a bearish engulfing candlestick pattern has formed on the weekly chart, indicating a potential trend reversal. The index has dipped to the 5-week SMA level and closed barely above the pivotal support line. The continued overbought condition of the weekly stochastic oscillator, coupled with a high RSI indicator, suggests room for further consolidation. We do not expect the immediate 5-week SMA support level of 1,609 to hold this week.
- In short, we expect heightened volatility with a downside bias this week. Key support levels are identified at 1,609, followed by the psychological support at 1,600. On the flipside, key resistance levels are located at 1,615, followed by 1,632.

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