

19 January 2026

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**Weekly Technical Highlights – FBM KLCI**

**Weekly Charting – FBMKLCI**



Source: TradingView

| Key Support & Resistance Levels: |   |
|----------------------------------|---|
| Last Price                       | : 1,712.74  |
| Resistance                       | : 1,721 (R1)                      1,732 (R2)          |
| Support                          | : 1,700 (S1)                          1,683 (S2)      |
| Weekly view                      | : Choppier market with downside bias on profit-taking |

**FBM KLCI**

- The FBM KLCI extended its uptrend last week, rising 26.2 points (+1.55%) to 1,712.74, as traders continued to accumulate banking heavyweights on expectations of firmer domestic growth. Sentiment was also supported by better-than-expected earnings from TSMC and major U.S. banks, which helped lift overall risk appetite. Domestically, Malaysia’s advance estimate for 4QCY25 GDP came in at +5.7% YoY, an upside surprise that further reinforced the constructive tone. Externally, risk sentiment may stay headline-driven after President Trump announced 10% tariffs over the weekend on imports from eight European countries effective 1 Feb 2026, with the rate set to rise to 25% from 1 Jun if no resolution is reached—adding another layer of trade-policy uncertainty.
- Looking ahead, while the domestic backdrop remains constructive, external risk sentiment has turned more cautious amid renewed U.S. tariff threats toward Europe and ongoing geopolitical tensions involving US versus Iran and Venezuela—factors that could temper bullish conviction and trigger intermittent risk-off positioning. On the monetary front, attention will also turn to BNM’s first policy decision of 2026, with the Monetary Policy Statement due on 22 Jan and consensus broadly expecting the OPR to remain unchanged at 2.75%.
- Technically, the index’s uptrend remains constructive after registering a fresh high last week, underpinned by firmer buying pressure and “smart money” inflows as reflected in a higher SmartMCDX reading. That said, the recent rally has pushed the RSI into overbought territory—levels last seen in April 2024—suggesting near-term trade could turn choppier and more mean-reverting.
- In summary, we expect a choppier market with a downside bias this week on likely profit-taking. Technical setups for key constituents—MAYBANK, PBBANK and HLBANK—have turned less constructive as they enter overbought territory. Resistance is seen at 1,721, followed by 1,732, while support lies at the 1,700 psychological level and 1,683.

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