

18 May 2026

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Weekly Technical Highlights – FBM KLCI

Weekly Charting – FBM KLCI



Source: TradingView

Key Support & Resistance Levels:	
Last Price	: 1,740.22
Resistance	: 1,755 (R1) 1,768 (R2)
Support	: 1,722 (S1) 1,700 (S2)
Weekly view	: Consolidation with downward bias

FBM KLCI

- The FBM KLCI slipped 7.84 points (−0.45%) to 1,740.22, mirroring softer regional sentiment as investors turned more cautious amid renewed concerns over higher oil prices and potential inflation spillover. Brent rose nearly 7% WoW as reopening of the Strait of Hormuz remained delayed, even as U.S.–China leaders met, though prices stayed below the US\$110/bbl threshold. Domestically, 1QCY26 GDP came in at +5.4% YoY, slightly above the +5.3% advance estimate, but sentiment was partly weighed by the MSCI Malaysia index review, which reduced the number of constituents from 27 to 21 effective the 29 May close. Sector-wise, decliners were led by Plantation (−2.9% WoW), Consumer Products (−1.4%) and Construction (−1.0%), partly offset by gains in Technology (+2.8%), Industrial Products (+2.7%) and REITs (+1.2%).
- On the domestic front, focus is gradually shifting to the ongoing first quarter of 2026 (1QCY26) earnings season, where investors will closely assess corporate guidance for signs of resilience amid intensifying external headwinds, including geopolitical risks, potential supply chain disruptions, elevated energy prices and slowing growth momentum
- Looking ahead, global attention will centre on Nvidia’s earnings (Wednesday, after the close). While results are likely to be strong, the risk of a “sell-the-news” reaction is rising given stretched positioning and fewer near-term AI catalysts once Nvidia has reported. A sharp rebound in U.S. bond yields could also prompt portfolio rebalancing, as investors reassess equity exposure. Domestically, focus is shifting to the 1Q26 earnings season, with investors focusing on management guidance and outlook statements for evidence of earnings resilience amid a tougher external backdrop—heightened geopolitical risk, supply-chain uncertainty, elevated energy costs and moderating global growth momentum.
- Technically, the index remains within a rising channel and the broader uptrend is still intact, but momentum is becoming increasingly stretched as weekly indicators push towards overbought levels. On the daily chart, both stochastic and RSI are rolling over from overbought territory, pointing to a higher likelihood of near-term consolidation or a mild pullback.
- In short, we expect the market to trade largely in sideways consolidation with downward bias. Technical setups for key constituents, MAYBANK, CIMB, TENAGA, and YTLP, appear limited. Key support levels are seen at 1,722 (5-week SMA) and the psychological level of 1,700, with resistance levels at 1,755 (intraday high) and 1,768.

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