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Weekly Technical Highlights – FBM KLCI

Weekly Charting – FBM KLCI



Source: TradingView

Key Support & Resistance Levels:	
Last Price	: 1,683.07
Resistance	: 1,696 (R1) 1,712 (R2)
Support	: 1,681 (S1) 1,664 (S2)
Weekly view	: Consolidation with downward bias

FBM KLCI

- The FBM KLCI declined for a third consecutive week, falling 1.73% (-29.60 points) to 1,683.07 and slipping below the 1,700 level amid persistent foreign outflows and heightened geopolitical uncertainty. Sector performance was broadly negative, with Financial Services (-2.4%) and Energy (-1.7%) leading the declines, while Technology (+4.0%) topped the gainers and partially offset broader market weakness. The benchmark index ended May down 2.3%. Meanwhile, crude oil prices retreated nearly 10% WoW to around USD88 per barrel driven by optimism surrounding U.S.-Iran negotiations, which helped ease concerns over energy-driven inflation. Nevertheless, globally, U.S. core PCE inflation remained elevated at 3.3% YoY in April, while its 1Q GDP growth was revised lower to 1.6%, presenting mixed signals on the timing of potential Fed rate cuts.
- Looking ahead, the local economic calendar remains light during the holiday-shortened week, and investors are likely to stay on the sidelines amid the lack of fresh market-moving catalysts. On the external front, attention will turn to U.S. jobs report on Friday, with May payrolls expected to rise by 89k, as a stronger-than-expected reading could reinforce a more hawkish Fed outlook and weigh on broader market sentiment. Additionally, the market will continue to monitor developments in US-Iran conflict and energy price movements, both of which remain key market drivers.
- Technically, the index broke below its key 13-week SMA and slipped below the rising channel, signalling a near-term downtrend. Momentum indicators continue to weaken, with both weekly stochastic and RSI trending lower, suggesting fading buying momentum. The declining SmartMCDX further points to waning institutional participation, indicating that sentiment may remain fragile unless the index is able to reclaim the 1,700–1,710 region.
- In short, we expect the market to trade largely in sideways consolidation with a mild downward bias. Technical upside for key constituents, PMETAL, PCHEM and AMMB, appear limited. Key support levels are seen at 1,681 (23.6% Fibonacci retracement) and 1,664 (200-day SMA), with resistance levels at 1,696 (13-week SMA) and 1,712 (5-week SMA).

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