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Weekly Technical Highlights – FBM KLCI

Weekly Charting – FBMKLCI



Source: TradingView

Key Support & Resistance Levels:	
Last Price	: 1,607.32
Resistance	: 1,615 (R1) 1,632 (R2)
Support	: 1,605 (S1) 1,600 (S2)
Weekly view	Downward bias

FBM KLCI

- As expected, the FBM KLCI was mostly in the red amid caution over US interest rates, despite ongoing interest in data centres and AI boosting certain construction and tech stocks. The benchmark index fell 10.54 points (or -0.65%) to 1,607.32 on Friday, even though market volume surged to 32.08b units worth RM21.97b, compared to 19.82b units worth RM15.89b the previous week.
- Moving forward, the market is expected to remain focused on AI-related stocks during the shortened trading week. Strong momentum is anticipated to continue in the construction and technology sectors due to the booming data center investment theme, benefiting both upstream and downstream components. Additionally, economic data, particularly the country's trade data due on Thursday, will be closely watched by the market.
- Technically, the index consolidated within a tight range last week but couldn't break firmly above the 1,615 resistance level, suggesting potential market fatigue despite a sustained long-term bullish trend. Weekly stochastic and RSI indicators remain in the overbought zone, indicating a skewed risk-reward ratio towards a potential pullback. It is crucial to monitor if the index can hold above its 13-day SMA at 1,605 and the pivotal 1,600 psychological support this week.
- In summary, we expect the market to lean downside this week. Key support levels are at 1,605 and the psychological 1,600, while resistance levels are at 1,615 and then 1,632.

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