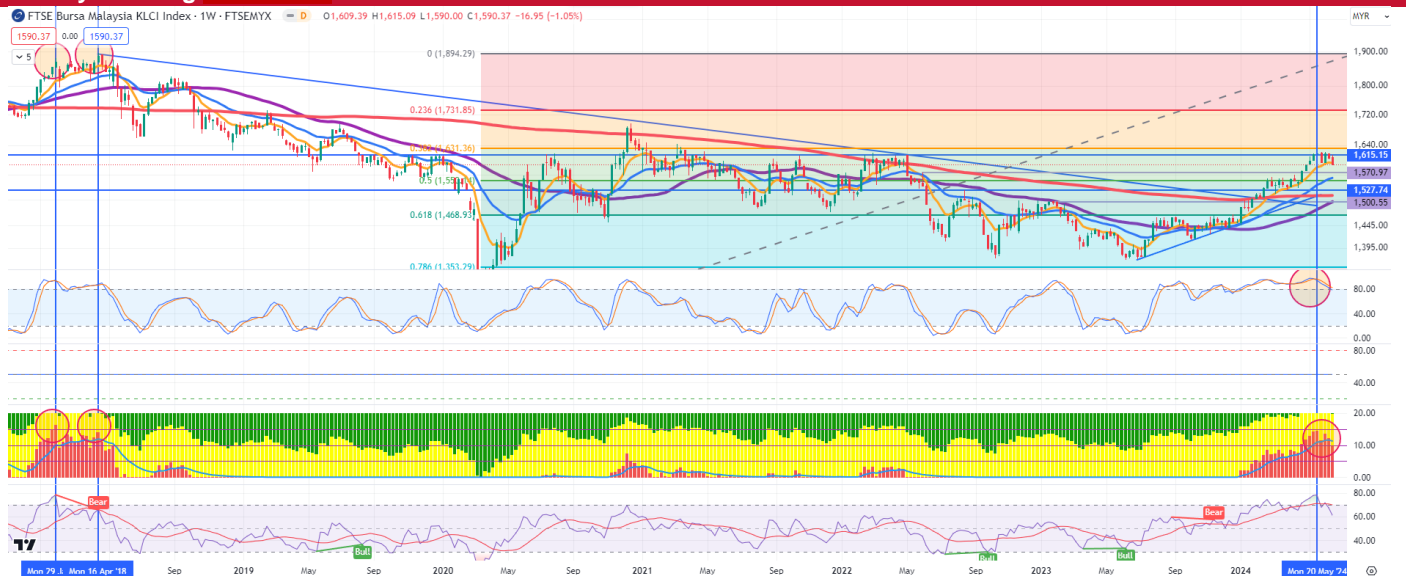


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Weekly Technical Highlights – FBM KLCI

Weekly Charting – FBMKLCI



Source: TradingView

| Key Support & Resistance Levels: | | | |
|----------------------------------|---------------|------------|--|
| Last Price | : 1,590.37 | | |
| Resistance | : 1,594 (R1) | 1,600 (R2) | |
| Support | 1,570 (S1) | 1,557 (S2) | |
| Weekly view | Downward bias | | |

FBM KLCI

- As expected, the FBM KLCI ended lower during the shortened trading week due to profit-taking and renewed foreign selling, and the lack of fresh catalysts. On Friday, the benchmark index dropped 16.95 points (-1.05% WoW) to 1,590.37, led by declines in the property, utilities, technology, and telecommunications sectors, which fell over 2%. Turnover decreased to 22.4b units valued at RM17.7b, compared to 32.1b units worth RM22b the previous week.
- Looking ahead, the near-term market focus is still likely to be driven by the data centre theme, which is attracting billions in investments due to three key factors: relatively cheap land, good infrastructure, and government efforts to attract multinationals to establish a presence in the country. However, the sustainability of the recent US tech sector pullback will be crucial in determining the overall global market direction, including Malaysia's.
- Technically, the index fell below the crucial 5-week SMA support-turned-resistance level at 1,594 last week. The high weekly stochastic and RSI indicators at 78 and 61, respectively, suggesting room for further consolidation despite the recent pullback. Additionally, the daily chart shows a continued nine-day sell-off, leading to a test of the pivotal 50-day SMA at 1,591 last Friday, with the 5-day SMA crossing below the 13-day SMA. A decisive breakdown at this level could result in a 20-30 point downside from here. However, as long as the index holds above its 13-week SMA (at 1,557), the medium-term uptrend remains intact.
- In short, we expect the market to lean downside this week. Key support levels are at 1,570 and 1,557 next, while resistance levels are at 1,594 and then the psychological 1,600.

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