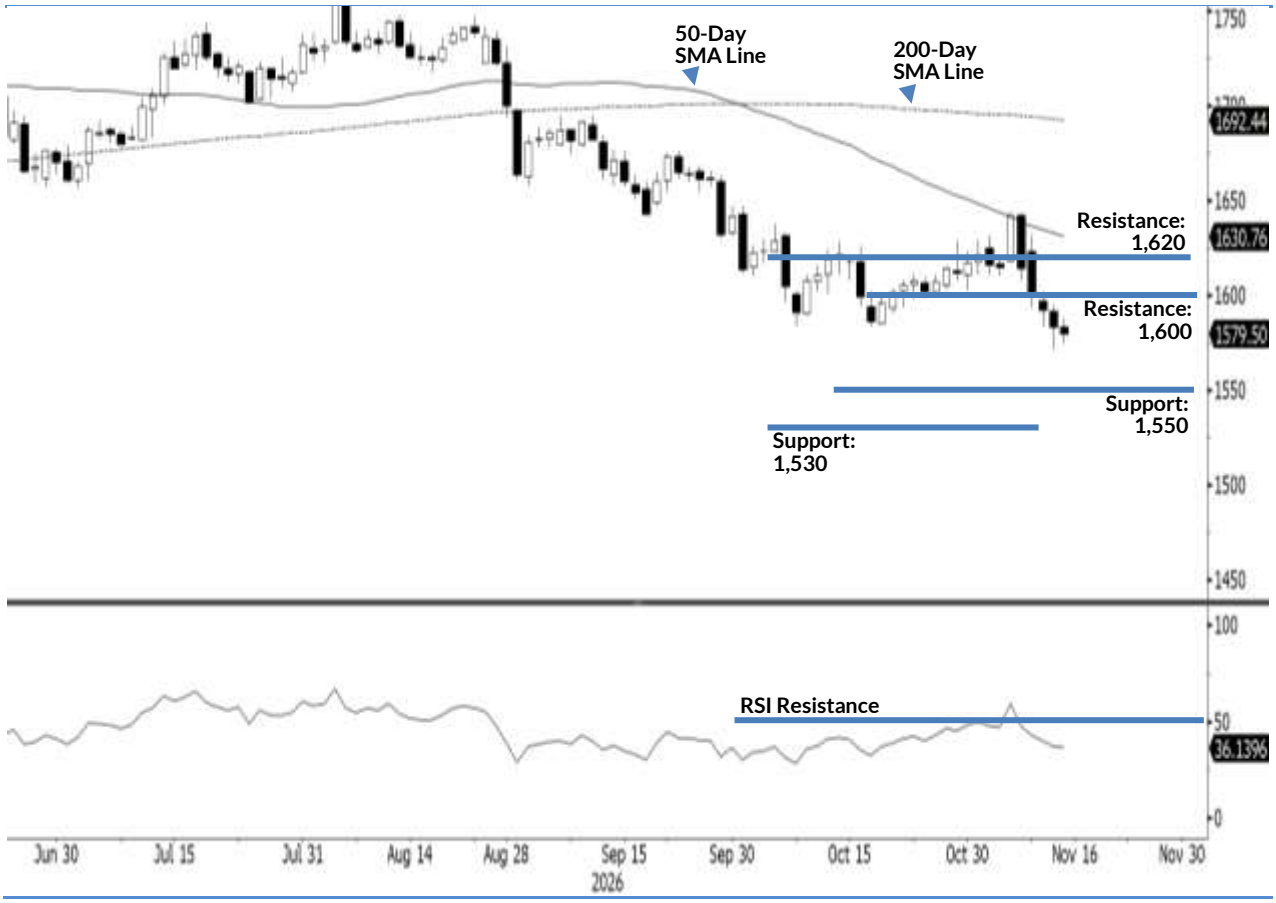
Technical Analyzer

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FKLI & FCPO

FKLI: Slips Below The 1,580-Pt Support

Figure 1: FKLI's daily chart



Source: RHB, Bloomberg

Retain short positions. The FKLI extended its losing streak to a fifth straight session on Friday, easing 3.50 pts to close at 1,579.50 pts. The index opened at 1,583 pts and climbed to the session's high of 1,587.50 pts. It then slipped to the intraday low of 1,574.50 pts and closed below the 1,580-pt support. The narrow body bearish candlestick shows that the bears remain in control. The FKLI continues to trade below both the 50- and 200-day SMA lines, while the RSI is falling further below the 50% mark. This keeps the technical setup bearish. The index may now drift towards the 1,550-pt support, and a breach of this level may expose the 1,530-pt mark. As long as the FKLI stays below the 1,620-pt stop-loss level, we maintain a negative trading bias.

Traders should stick to the short positions initiated at the close of 11 Nov, ie 1,592 pts. To mitigate trading risks, the stop-loss threshold is now lowered to 1,620 pts.

After the breakout, the immediate support is now at 1,550 pts, followed by the 1,530-pt level. Conversely, the first resistance is pegged to 1,600 pts, followed by the 1,620-pt mark.

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FCPO: Poised To Test The MYR4,500 Resistance

Figure 2: FCPO's daily chart



Source: RHB, Bloomberg

Hold short positions. The FCPO edged higher for a third straight session on Friday, adding MYR22 to close at MYR4,462. The commodity opened at MYR4,453 and dipped to the session's low of MYR4,412. It then recovered to the intraday high of MYR4,468 and closed near the top of the range. However, the narrow body bullish candlestick shows that the rebound is losing bearish momentum as the commodity approaches the MYR4,500 resistance. The RSI remains below the 50% mark, while the FCPO stays below both the 50- and 200-day SMA lines. This keeps the broader trend bearish. A failure to cross above the MYR4,500 resistance may see the commodity retreat towards the MYR4,320 support. As long as the FCPO stays below the MYR4,500 stop-loss level, we maintain a negative trading bias.

Traders should stick to the short position initiated at the close of 29 Oct, ie MYR4,616. To manage trading risks, the stop-loss threshold remains at MYR4,500.

The first resistance is now at MYR4,500, followed by the higher resistance point of MYR4,600. Concurrently, the first support is now marked at MYR4,320, followed by the MYR4,250 level.

RHB Guide to Retail Research Technical Ratings^

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Short: To initiate a short position
Maintain Long: Maintain long position
Maintain Short: Maintain short position
Take Profit: Close the position after the share price has reached a defined level
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