

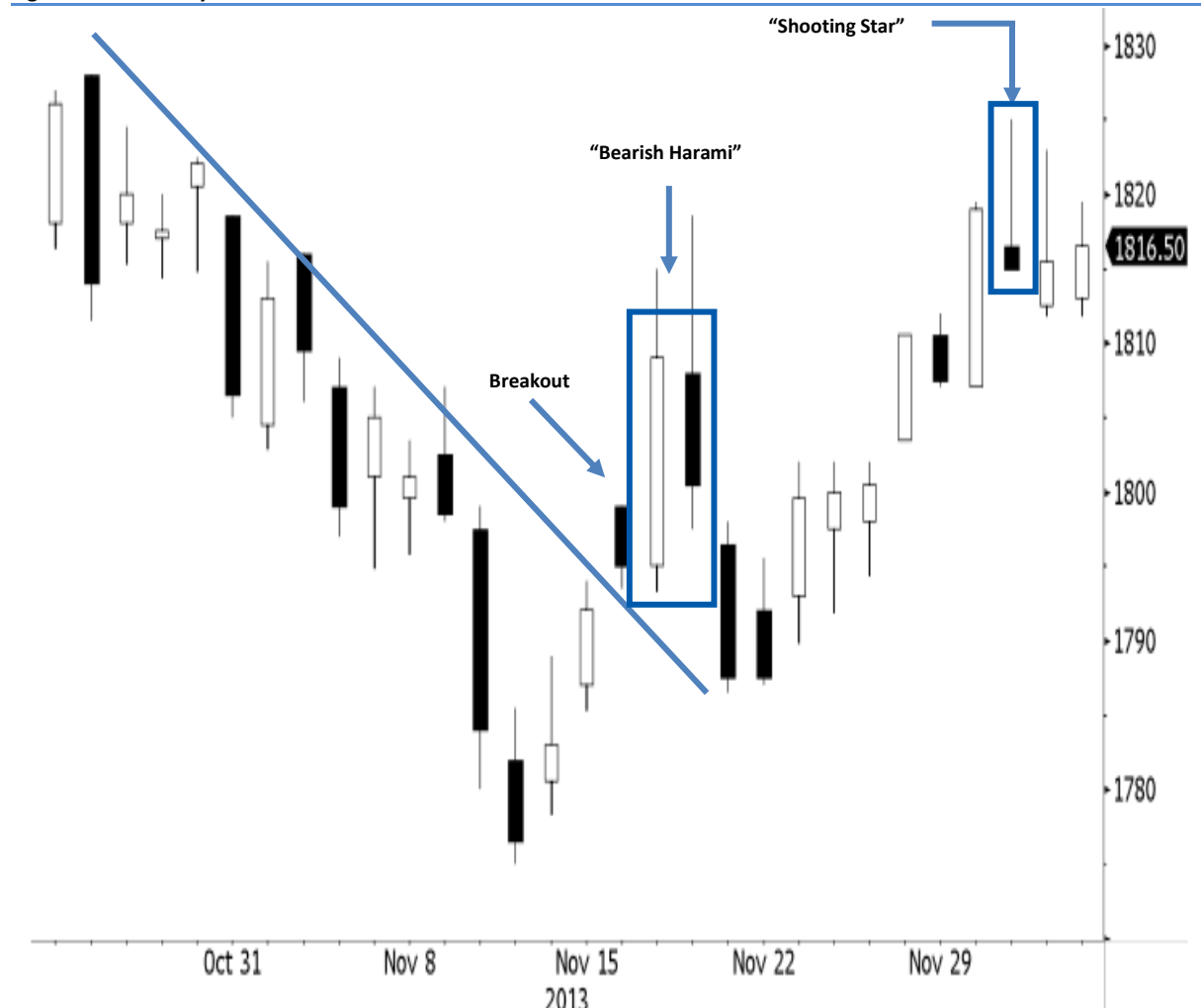
## Technical Analyzer

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## FKLI & FCPO

### FKLI: A Tight Trading Session

Figure 1: FKLI's daily chart



Source: RHB, Bloomberg

**Another lacklustre session, maintain long positions.** After the creation of the “Shooting Star” and the candlestick with a long upper shadow line, the FKLI had a lacklustre trading day yesterday. This confirms the rather cautious tone in the market - which we would expect, following the creation of such candlesticks.

As the “Shooting Star” and long upper shadow line candlestick signal failed attempts to write off the “Bearish Harami”, we still think that the FKLI may start to consolidate - probably closer to the 1,834.5-pt historic high – for a while.

In the meantime, we advise traders to maintain long positions as the FKLI has thus far been able to sustain the breakout gains after violating the short-term downtrend line. Our long strategy is based on the breakout from the short-term downtrend line.

Immediate resistance remains at the 1,825-pt level, followed by 1,828 pts and the 1,834.5-pt historic high. To the downside, we are still eyeing an immediate support at Monday’s opening of 1,807 pts, followed by the 1,800-pt psychological mark.

## FCPO: Holding Above The Uptrend Line

Figure 2: FCPO's daily chart



Source: RHB, Bloomberg

**An “inside day” session, maintain long positions.** Yesterday was an “inside day” session as the price fluctuation was confined within Wednesday’s trading range. We could not get any new signals from yesterday’s price moment but the bulls should be glad to see the CPO price continuing to hold up above the uptrend line.

Meanwhile, for our long recommendation, there are still concerns on the lack of follow-through buying after the major breakout from the MYR2,615 level. In addition, the market is also beginning to show signs of losing upward momentum since last Friday, as the latest 10 candlesticks seem to be trending sideways.

We would like to see the CPO price start rebounding again from the uptrend line and eventually surpass the MYR2,692 recent high. A climb above the MYR2,692 level is important to keep the uptrend intact and also confirm the breakout from the MYR2,615 level.

As yesterday’s session did not indicate any new signals, we advise traders to maintain long positions. Our long recommendation is based upon the MYR2,615 major breakout and the uptrend extension. The uptrend line will not be considered decisively broken when the major recent low of MYR2,545 is violated.

To the upside, continue to look for an immediate resistance at MYR2,692, followed by the MYR2,695-2,763 range and MYR2,820. Also, continue to look for an immediate support at MYR2,615, followed by the MYR2,545 level.

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