

Headline	Plenitude likely to re challenge immediate overhead resistance		
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# Plenitude likely to re-challenge immediate overhead resistance

**AFTER** rallying to its all-time historical high of 1,851.94 on Tuesday, the FTSE Bursa Malaysia KLCI (FBM KLCI) paused to consolidate its recent gains over the next three trading days last week.

Record breaking sessions took the FBM KLCI to its many new historical highs. The FBM KLCI closed at its new historical closing high of 1,850.90 points on Tuesday.

Since then, the FBM KLCI staged a three-day technical pullback to close at 1,841.25 points on Friday, giving a mere week-on-week gain of 0.90 point, or 0.05 per cent.

The FBM KLCI continued to stay above its major psychological support of 1,800 last Friday when it hit its intra-week low of 1,834.11 last Monday and its intra-week high of 1,851.94 on Tuesday, giving an intra-week trading range of 17.83 points.

The FBM Small Cap Index fell 215.15 points, or 1.37 per cent, to 15,515.09 level, while the FBM ACE Market Index eased 6.67 points, or 0.12 per cent, to 5,622.02 level last Friday.

Plenitude Bhd closed marginally lower at RM2.56 last Friday, giving a week-on-week loss of four sen, or 1.54 per cent.

It was incorporated on November 6 2000 as Plenitude Sdn Bhd and it became public limited company in the same year. The group has core interests in property development.

Following are the readings of some of its technical indicators:

**Moving Averages:** Plenitude's daily price trend had since stayed above its 50-, 100- and 200-day moving averages. Its daily price trend continued to stay below its 10-, 20- and 30-day moving averages.

**Momentum Index:** Its short-term momentum index stayed below the support of its neutral reference line last week.

**On Balance Volume (OBV):** Its short-term OBV stayed below the support

of its 10-day moving averages.

**Relative Strength Index (RSI):** Its 14-day RSI stayed below the 50 level. Its technical reading stood at the 48.41 per cent level at the market close last Friday.

## Outlook

Share prices on Bursa Malaysia consolidated over the last three trading days last week, moving in counter-trend with the market rally on the Wall Street.

The FBM KLCI's last three-day losses accounted for a technical pullback of 10.69 points, or 0.58 per cent. 16 out of the 30 components ended higher last week, compared with 17 gainers the previous week.

Key heavyweight index-linked blue chips continued to provide market momentum in maintaining its equilibrium.

Tenaga Nasional Bhd remained as the week's top-performing counter, posting a year-to-date gain of RM3.88, or 55.91 per cent.

Institutional investors continued to provide buying support of heavyweight index-linked counters.

However, there were selective second liners that consolidated their recent gains. Plenitude is one of these counters.

Chartwise, Plenitude's monthly price trend staged an overhead breakout of its immediate overhead resistance last week.

Its monthly fast monthly MACD (moving average convergence divergence indicator) continued to stay above its monthly slow MACD.

Its weekly price trend staged a successful re-test of its intermediate-term downside support (See Plenitude's weekly price chart — B1:B2).

At the market close on Friday, its weekly price trend had since rebounded off its intermediate-term downside support (B1:B2) last Friday.

Its daily price trend staged a technical breakout intermediate-term downtrend (See Plenitude's daily price trend — C3:C4). The technical breakout of this resistance augurs well for its near-term perspectives.

Its weekly and monthly fast MACDs stayed above their respec-

tive slow MACDs on Friday. However, its daily fast MACD continued to stay below its daily slow MACD.

Its 14-day Relative Strength Index (RSI) stood at the 48.41 per cent level. Its 14-week and 14-month RSI were at the 60.52 and 65.42 per cent levels, respectively.

Following the technical breakout of its intermediate-term downtrend (C3:C4), it is envisaged that Plenitude's daily price trend is likely to stage a follow-through rebound sometime this week or next week.

It is likely to re-challenge its immediate overhead resistance at the RM2.60-RM2.85 levels over its intermediate-term perspectives.

**The subject** expressed above is based purely on technical analysis and opinions of the writer. It is not a solicitation to buy or sell.

