

## MONTHLY TECHNICAL REGIONAL INDICES WATCH – INDICES OUTLOOK

In this report, we provide the monthly outlook for regional indices, namely the **Hang Seng Index**, the **FTSE Bursa Malaysia Kuala Lumpur Composite**, the **Jakarta Stock Exchange Composite Index**, the **Stock Exchange Of Thailand Index** and the **FTSE Straits Times Index**. We also include a list of tradable Exchange Traded Funds (ETF) for each of the said indices.

### Hang Seng Index (HSI IND)

Key support at 16,800



Source: Bloomberg

Tradable ETF(s) listed in Hong Kong: **Tracker Fund Of Hong Kong (2800 HK)**, **CSOP Hang Seng Index ETF (3037 HK)**

Last close: 17,893.10

#### Outlook:

In the weekly chart, the index fluctuated within the downtrend channel continuously. It closed with a hammer pattern for three consecutive weeks from the week of 18 Sep 23. The major support is around 16,800. Meanwhile, the key resistance is around 18,000 and 18,800.

The weekly RSI is around 39, indicating a bearish signal and weak momentum. The weekly MACD line is below its signal line, while both lines are below the zero-line and indicating a bearish signal.

#### Strategy:

The key support level is around 16,800. It should move between 16,800 and 18,800. Investors are recommended to accumulate quality stocks near the key level.

Support: 16,800

Resistance: 18,000 / 18,800

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### FTSE Bursa Malaysia Kuala Lumpur Composite Index (FBMKLCI IND)

Trading range bound while awaiting for more catalysts...



Source: Bloomberg

Tradable ETF(s) in Malaysia: **FTSE Bursa Malaysia KLCI ETF (FBMKLCI-EA 0820EA)**

Last close: 1,436.49

#### Outlook:

Based on weekly chart, the index formed a bearish Marubozu and closed lower at 1,435.17 on last week's movement. Given the lack of domestic catalysts, external factors may have more weightage. Thus, the FBMKLCI may be vulnerable to negative sentiments regionally. Nevertheless, we remain upbeat on the overall medium-term prospect of the index.

In the near term, we expect that the index will continue to trade in range bound within the support level of 1,400 and resistance level of 1,467. If the bear continues to control the market, the index will continue to drop to the next psychological support level of 1,400.

#### Strategy:

Since the index is in a bearish mode in the near term, we suggest that investors look for the opportunity to enter the market by buying on the dip.

Support: 1,400/1,377

Resistance: 1,467/1,487

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### Jakarta Stock Exchange Composite Index (JCI IND)

Expect bullish pressure towards end of month



Source: Bloomberg

Tradable ETF(s) listed in Indonesia:

**Reksa Dana Premier ETF LQ-45 (ETF LQ45),**  
**Reksa Dana Premier ETF IDX30 (ETF IDX 30)**

Last close: 6,931.75

#### Outlook:

JCI failed to hold above its psychological level of 7,000 last month. Negative sentiment is coming from the weakening of USD/IDR which usually has a negative correlation with JCI. Having said that, we see that there is potential for rebound towards the end of the month as seasonality pattern is showing a strong bullish pattern with 8x gains and 2x losses in the last ten years and average gains of 2.1%. As for the technical view, we expect more consolidation ahead as the RSI is sloping downwards but MACD remains on bullish crossover. Looking forward, we expect a late rebound towards the end of the month with the nearest resistance at 7,130 and support at 6,745.

#### Strategy:

Potential late rebound with positive seasonality. Focus on the energy, financial and consumer sectors.

**Support: 6,820 / 6,745**  
**Resistance: 7,130 / 7,260**

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### Stock Exchange Of Thailand Index (SET IND)

Sideways down with trading range 1,400-1,500 level



Source: Bloomberg

Tradable ETF(s) in Thailand: **ThaiDEX SET50 ETF (TDEX),**  
**ThaiDEX SET100 ETF (TH100), KTAM SET50 ETF Tracker (ESET50)**  
 Tradable ETF(s) in Singapore: **Lyxor UCITS ETF by Societe Generale (P2P)**

Last close: 1,455.99

#### Outlook:

The SET Index fell below the key support level of 1,450, resulting in the outlook turning more bearish with direction following the sideways channel. As there have been many supports between 1,400 and 1,450 and as the index becomes oversold, we see potential technical recovery from 1,430 to 1,500.

#### Strategy:

We change our view to bearish given that SET Index is continuing to fall and cannot stand above the 1,450 level which is the bullish structural support level. For strategy, we recommend trading buy in 1,430-1,500 with stop-loss at 1,400. Investors should reduce some exposure and raise more cash until the index turns more bullish.

**Support: 1,430 / 1,400**  
**Resistance: 1,450 / 1,500**

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## MONTHLY TECHNICAL REGIONAL INDICES WATCH – INDICES OUTLOOK

### FTSE Straits Times Index (STI IND)

Consolidation mode continues



Source: TechAnalyzer

Tradable ETF(s) in Singapore:

**Singapore STI ETF by Nikko AM (G3B), Straits Times Index ETF by SPDR (ES3)**

Last close: 3,192.87

#### Outlook:

In a bigger and longer view, the FSSTI index has been consolidating within a big triangle chart pattern since Feb 22. We notice that price formed a sideways rectangle pattern, hinting at possible bigger movement ahead once it breaks out. There is a high chance that price may break below this rectangle pattern. MACD remains flat and is hovering around the zero-line, confirming the sideways pattern.

#### Strategy:

There are two possible ways to trade within a sideways rectangle pattern. Firstly, accumulate quality stocks when price is trading near to the support level of 3,131. Use 3,130 as the support. Secondly, sell on the rise when price breaks and retests the rectangle pattern at 3,130.

**Support: 3,130 / 2,970**  
**Resistance: 3,285 / 3,410**

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