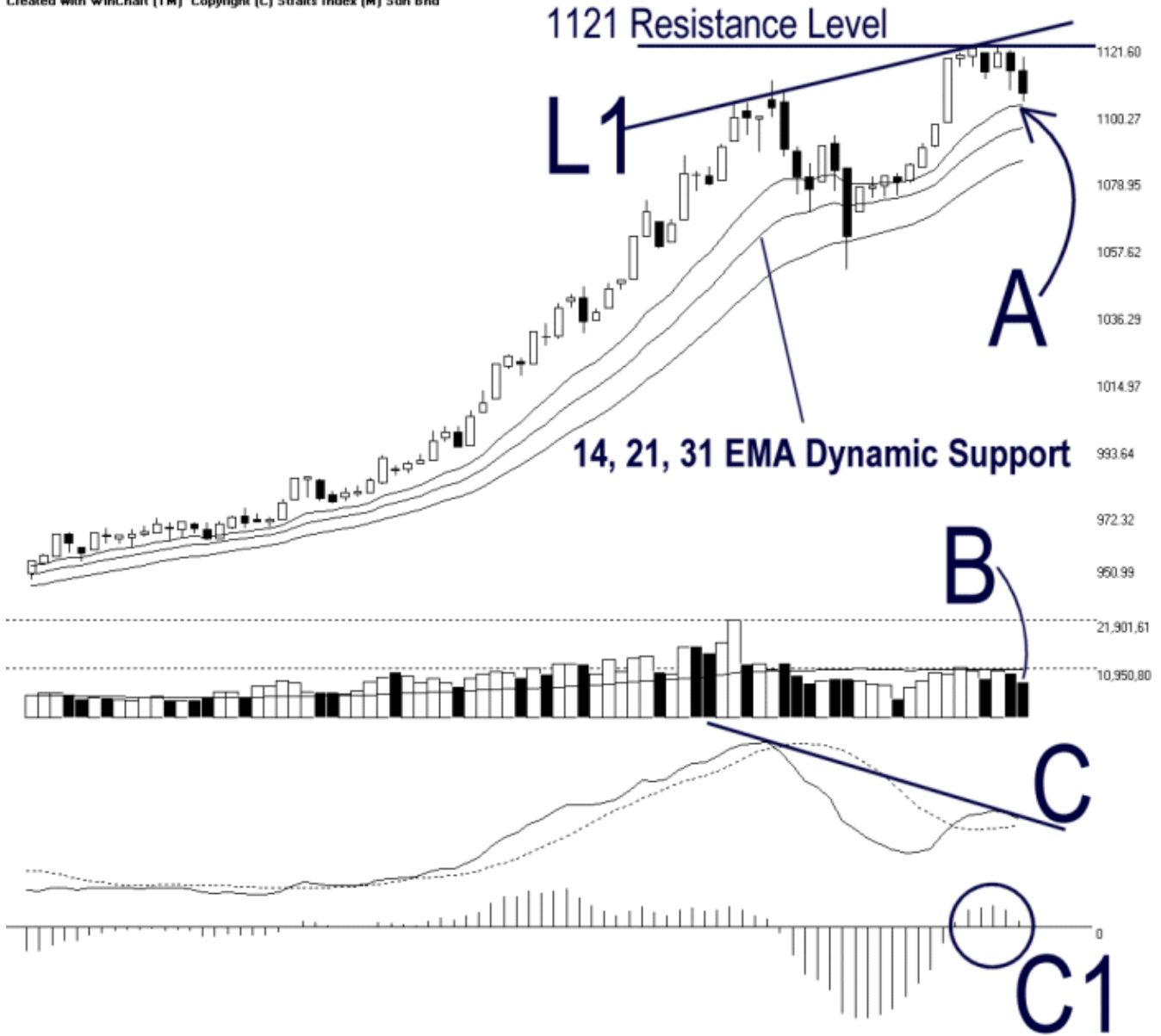




Straits Index (M) Sdn Bhd.
 WinChart Technical Analysis
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Open:1113.400 High:1117.690 Low:1103.370 Close:1106.060 -7.130(-0.6%) Volume:8,080,988 (-1927843,-19.3%)
 COMPOSITE INDEX [COMPOSITE] 14/09/2006 - 11/01/2007 Ticks=80 Moving Averages e[14,21,31] - Volume Daily 11-1-2007 17:07:02
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Composite Index Daily Technical Analysis, 11/01/2007, by Straits Index (M) Sdn Bhd

KLCI ended lower on Thursday, losing 7.13 points to 1106.06 points. As pointed by A, the KLCI is testing the 14, 21, 31 EMA dynamic support. If the KLCI could rebound from the dynamic support, the outlook for the KLCI remained positive. However, 1121 remained as the immediate resistance to the KLCI.

As pointed by B, total market volume remained low at 808 million shares. In addition, volume continued staying below the 40 days VMA level, suggesting that the overall market participation is still weak, therefore, the market sentiment is likely to stay weak, unless the volume could pick up. (Study B)

MACD line continued staying below the falling line C, and therefore, the Class A MACD Bearish Divergence signal is still intact, suggesting a weakness in the KLCI. The KLCI is likely to stay weak provided the MACD line is still below the falling line C. At the mean time, as circled by C1, MACD histogram also ticking lower, suggesting a short-term bearish movement, and the short-term bearish movement is expected to continue until the histogram started ticking up, and formed a rounding bottom. (Study C1)