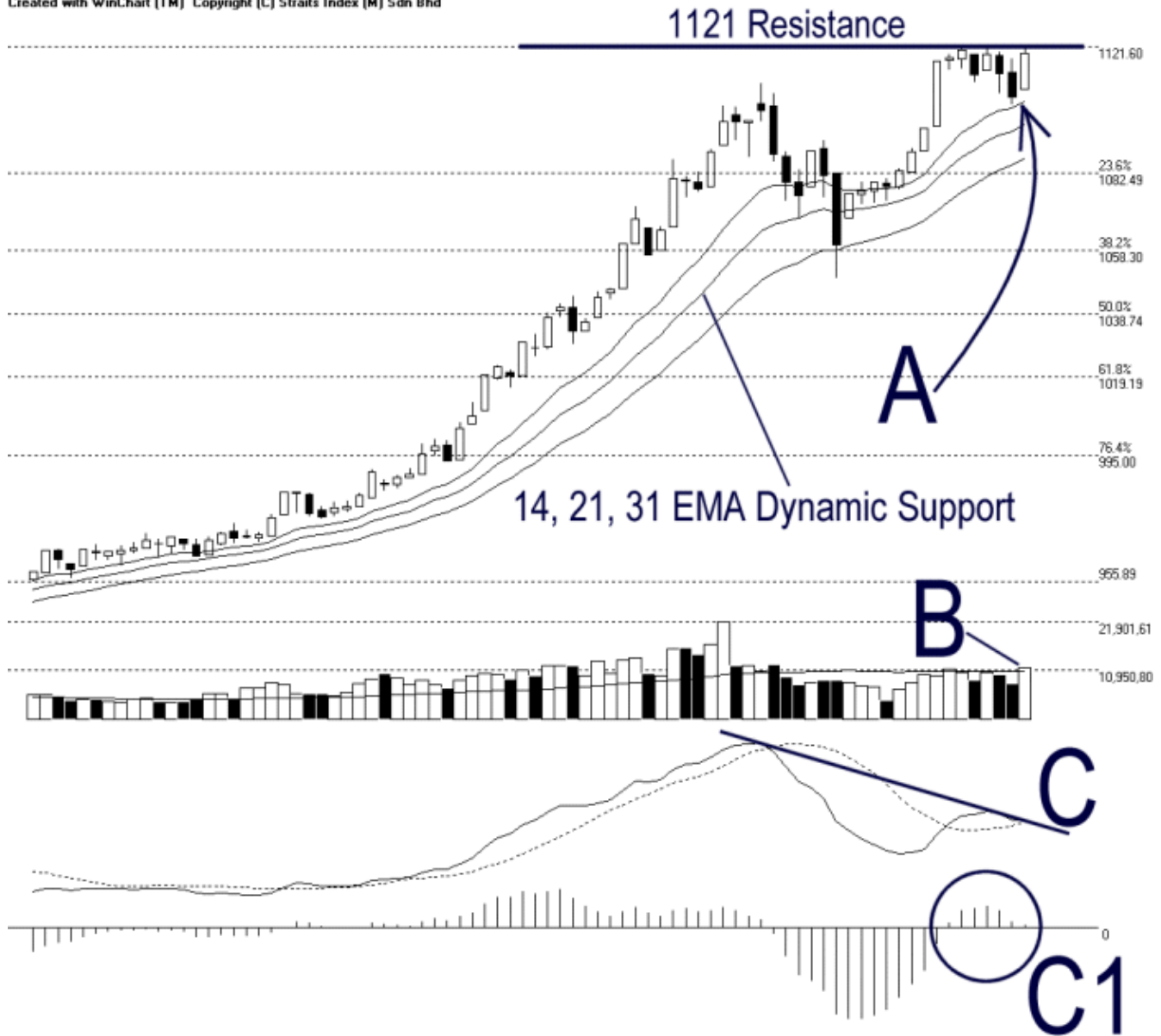




Straits Index (M) Sdn Bhd.
WinChart Technical Analysis
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Open:1108.440 High:1120.960 Low:1108.440 Close:1119.330 +13.270(1.2%) Volume:11,655,618 (+3574630.44.2%)
COMPOSITE INDEX [COMPOSITE] 15/09/2006 - 12/01/2007 Ticks=80 Moving Averages e[14,21,31] - Volume Daily
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Composite Index Daily Technical Analysis, 12/01/2007, by Straits Index (M) Sdn Bhd

As pointed by A, the KLCI successfully rebounded from the 14, 21, 31 EMA dynamic support. Provided that the KLCI could maintain its position above the rising 14, 21, 31 EMA, the outlook for the KLCI would still be positive bias. However, As shown on the chart above, the KLCI re-tested the 1121 resistance again but failed; therefore, the 1121 shall remained as the immediate resistance to the KLCI.

Total market volume increased 44.2% on Friday, with 11.65 million shares traded. As pointed by B, total market volume also broke above the 40 days VMA level, suggested an improved market participation. If the KLCI were to break above the 1121 resistance, we must have more volume to back up such break out, and after the break out, volume shall remained above the 40 days VMA level, if the break out was valid. (Study B)

MACD line tested the descending line C on Friday while the histogram continued ticking slightly lower. If the MACD line could break above the descending line C, it shall cancel out the divergence signal. (Study C and C1)