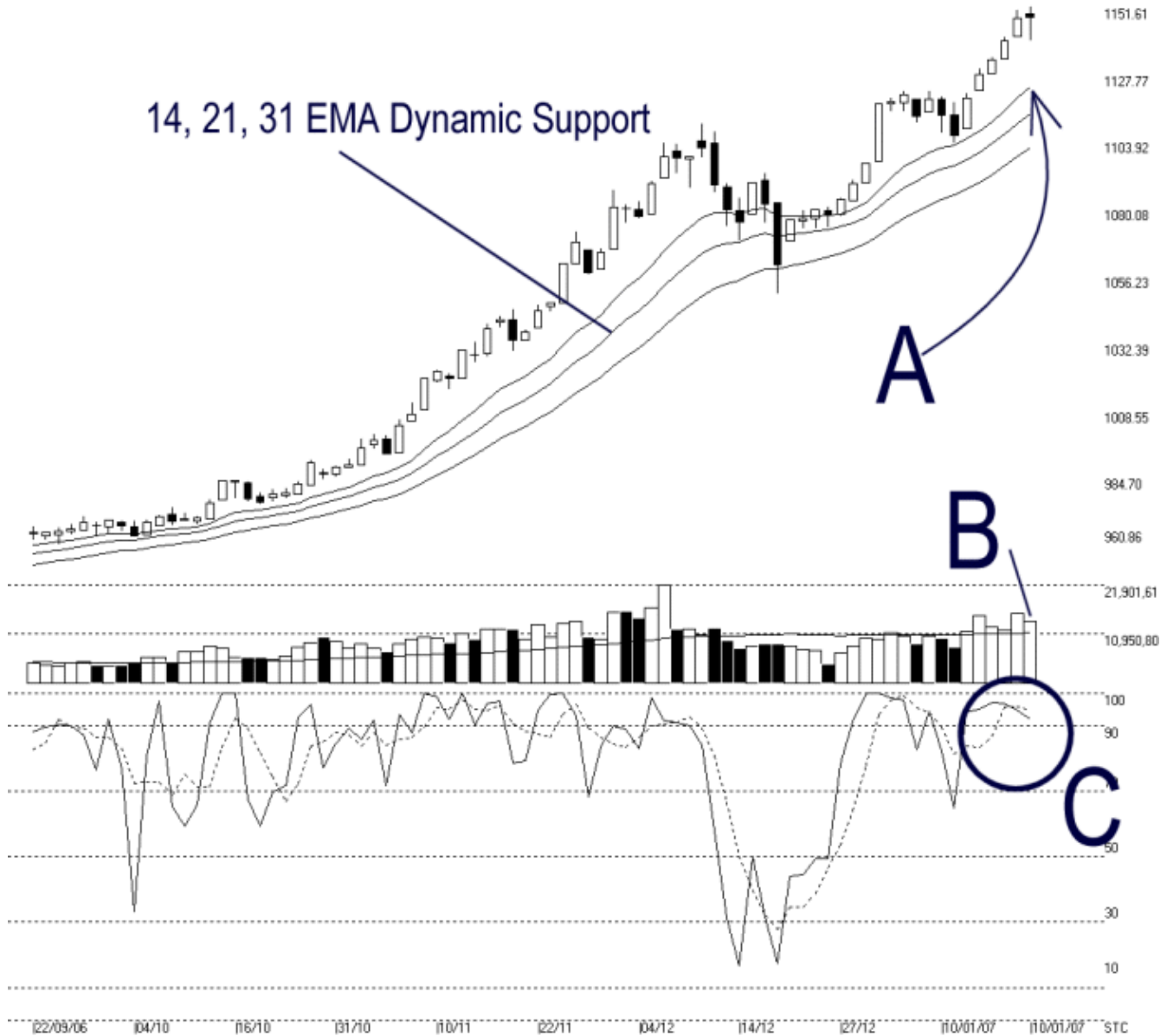




**Straits Index (M) Sdn Bhd.**  
**WinChart Technical Analysis**  
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Open:1149.090 High:1151.610 Low:1139.490 Close:1147.760 +0.100(0.0%) Volume:13,819,328 (-1788986,-11.5%)  
 COMPOSITE INDEX [COMPOSITE] 22/09/2006 - 19/01/2007 Ticks=80 Moving Averages e(14,21,31) - Volume Daily  
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**Composite Index Daily Technical Analysis, 19/01/2007, by Straits Index (M) Sdn Bhd**

KLCI ended marginally higher on Friday, despite the negative movement throughout the trading day. At the closing on Friday, the KLCI ended 0.1 of a point to 1147.76. Currently, the KLCI is about to enter another correction stage, and it is temporary resisted by 1150 level, while the immediate support remained at 1121 followed by the rising 14, 21, 31 EMA dynamic support. Again, provided that the KLCI is still being supported by the rising dynamic support, the outlook is likely to stay positive bias.

(Study A)

As pointed by B, total market volume on Friday declined 11.5%, while still managed to stay above the 40 days VMA level. Overall, the market participation is still considered active; however, if the KLCI was to break another multi-year new high, we shall need to have more volume to confirm such movement. Other wise, a slide declined in volume during a correction stage is still considered normal. (Study B)

Although the KLCI ended mixed and about the enter a technical correction stage, Stochastic remained above 90% level, suggested that the KLCI is still at an over-bought region. Therefore, a technical correction is due to take place. Nonetheless, provided that the Stochastic could stay above 70% level, short-term market movement for the KLCI is likely to stay bullish bias. (Study C)