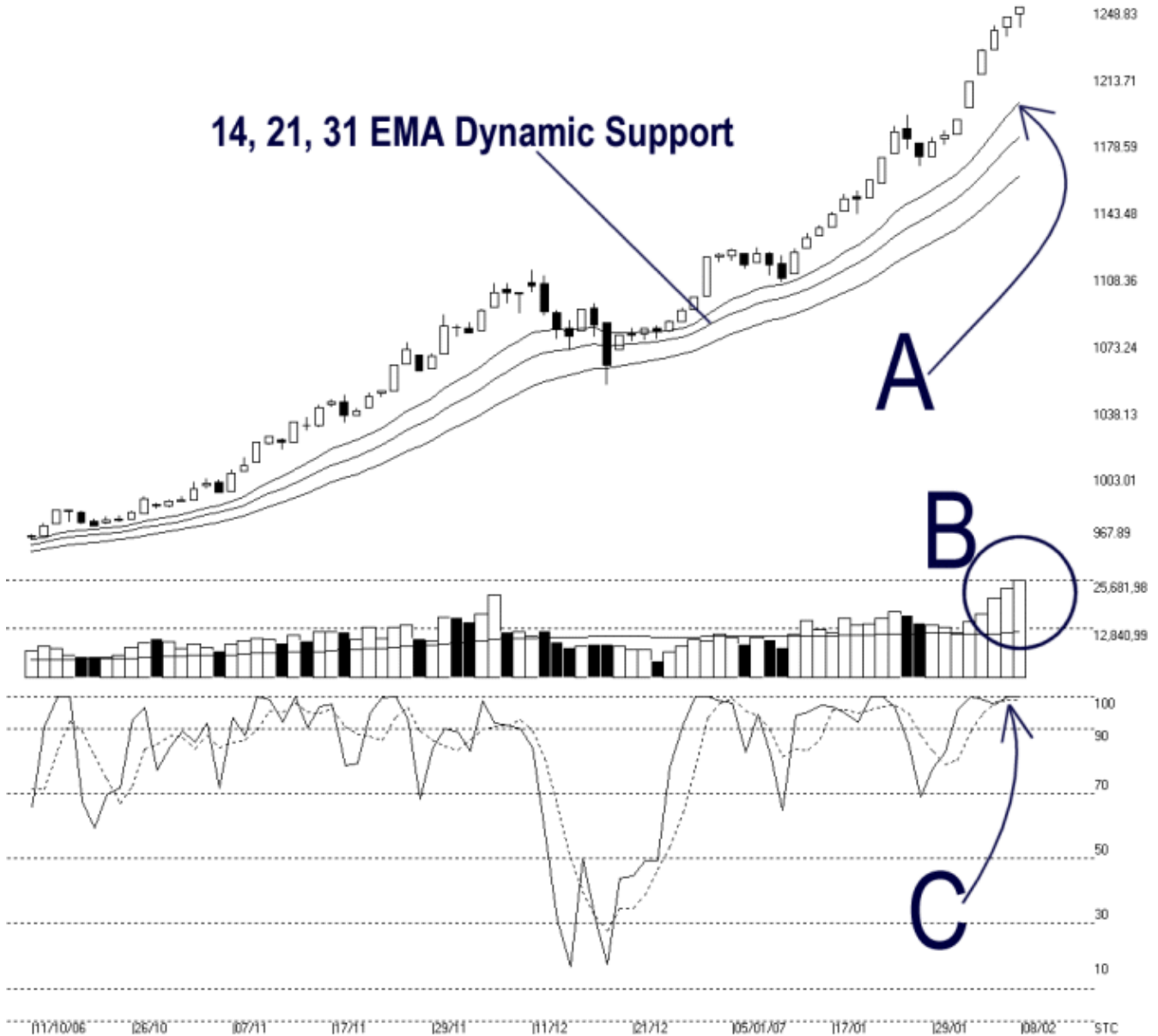




Straits Index (M) Sdn Bhd.  
WinChart Technical Analysis  
Tel: (03) 8941 6828  
Fax: (03) 8941 9828  
email: [info@straitsindex.com](mailto:info@straitsindex.com)

Open:1245.360 High:1248.830 Low:1237.390 Close:1248.830 +5.260(0.4%) Volume:25,681,980 (+2213546.9.4%)  
COMPOSITE INDEX [COMPOSITE] 11/10/2006 - 08/02/2007 Ticks=80 Moving Averages e(14,21,31) - Volume Daily  
Created with WinChart (TM) Copyright (C) Straits Index (M) Sdn Bhd



### Composite Index Daily Technical Analysis, 08/02/2007, by Straits Index (M) Sdn Bhd

KLCI ended higher despite losing in the morning session. At the close, the KLCI added another 5.25 points to 1248.83 points, marked down yet another new high. As of Thursday, the KLCI had 8 consecutive winning days and it still pending for a correction. Nevertheless, the 14, 21, 31 EMA continued rising while still serving as the dynamic support to the KLCI. Provided that the KLCI could remained above the rising dynamic support, the KLCI is still on its uptrend.

Total market volume score another all time new higher on Thursday with over 2.56 billion shares traded. As mentioned earlier, whenever the KLCI is at top with the market volume making new high, it suggests that a correction is around the corner. (Study B)

With the KLCI making another new high, Stochastic remained above 90% level, which is the short-term over region. Therefore, this suggested that the KLCI is indeed over-heated. Therefore, Stochastic suggested that a technical correction for the KLCI is due to take place. Anyhow, with if the Stochastic could stay above 70% level, the market movement for the short-term is still bullish bias. (Study C)