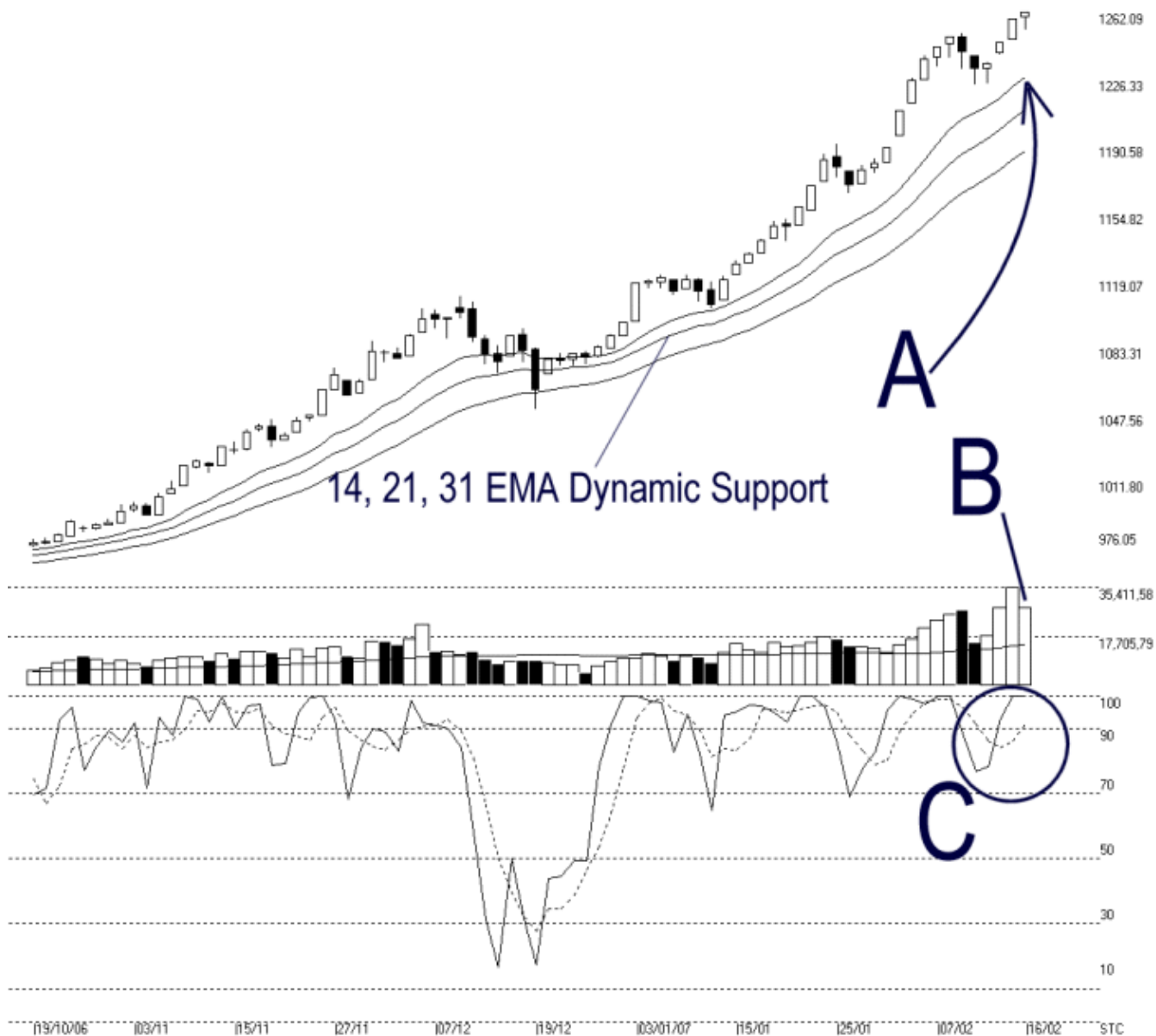




Straits Index (M) Sdn Bhd.  
WinChart Technical Analysis  
Tel: (03) 8941 6828  
Fax: (03) 8941 9828  
email: [info@straitsindex.com](mailto:info@straitsindex.com)

Open:1259.320 High:1262.090 Low:1252.150 Close:1262.090 +3.460(0.3%) Volume:28,211,581 (-7200003,-20.3%)  
COMPOSITE INDEX [COMPOSITE] 19/10/2006 - 16/02/2007 Ticks=80 Moving Averages e(14,21,31) - Volume Daily  
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### Composite Index Daily Technical Analysis, 16/02/2007, by Straits Index (M) Sdn Bhd

Despite staying mostly in negative region, the KLCI managed to close higher before the Chinese New Year Holiday, ended the day 3.46 points higher to 1262.09 points. As pointed by A, the 14, 21, 31 EMA remained as the rising dynamic support to the KLCI, and therefore, the uptrend is still intact.

As pointed by B, total market volume declined 20.3% on Friday, while still staying above the 40 days

VMA level. However, most of the market volume were contributed from the 2<sup>nd</sup> board market. Nevertheless, provided that the total market volume could maintain above the 40 days VMA level, the bullish sentiment is likely to sustain.

Stochastic %D line broke above the 90% level, entering the short-term over-bought region. Therefore, Stochastic is suggesting an over-heated signal, and the risk of a technical correction shall be relatively higher. Nonetheless, as long as the Stochastic is still above 70% level, the market movement for the short-term is still bullish bias. (Study C)