



Straits Index (M) Sdn Bhd.
WinChart Technical Analysis
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Open:1204.670 High:1216.190 Low:1179.120 Close:1180.910 -15.540(-1.3%) Volume:23,778,076 (-1.61172E+07,-40.4%)
COMPOSITE INDEX [COMPOSITE] 02/11/2006 - 01/03/2007 Ticks=80 Moving Averages e[14,21,31] - Volume Daily
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Composite Index Daily Technical Analysis, 01/03/2007, by Straits Index (M) Sdn Bhd

KLCI rebounded in the early trading session, almost closing the gap. However, as pointed by A, the KLCI is now resisted by the 14, 21, 31 EMA, and therefore, if the KLCI continued staying below the falling 14, 21, 31 EMA dynamic resistance, the KLCI is likely to stay bearish. (Study A)

Total market volume declined another 40.4% on Thursday, suggested a reduced market participation. If

the KLCI was to stay sideways, a lower volume during the sideways movement would be considered healthy. However, if the low volume persist with the KLCI remained below the dynamic resistance, the KLCI is likely to stay weak. (Study B)

Stochastic %K tested the 30% level again on Thursday, with the %D line falling lower. If Stochastic fell below 30% level, the market movement for the short-term would be bearish bias. (Study C)