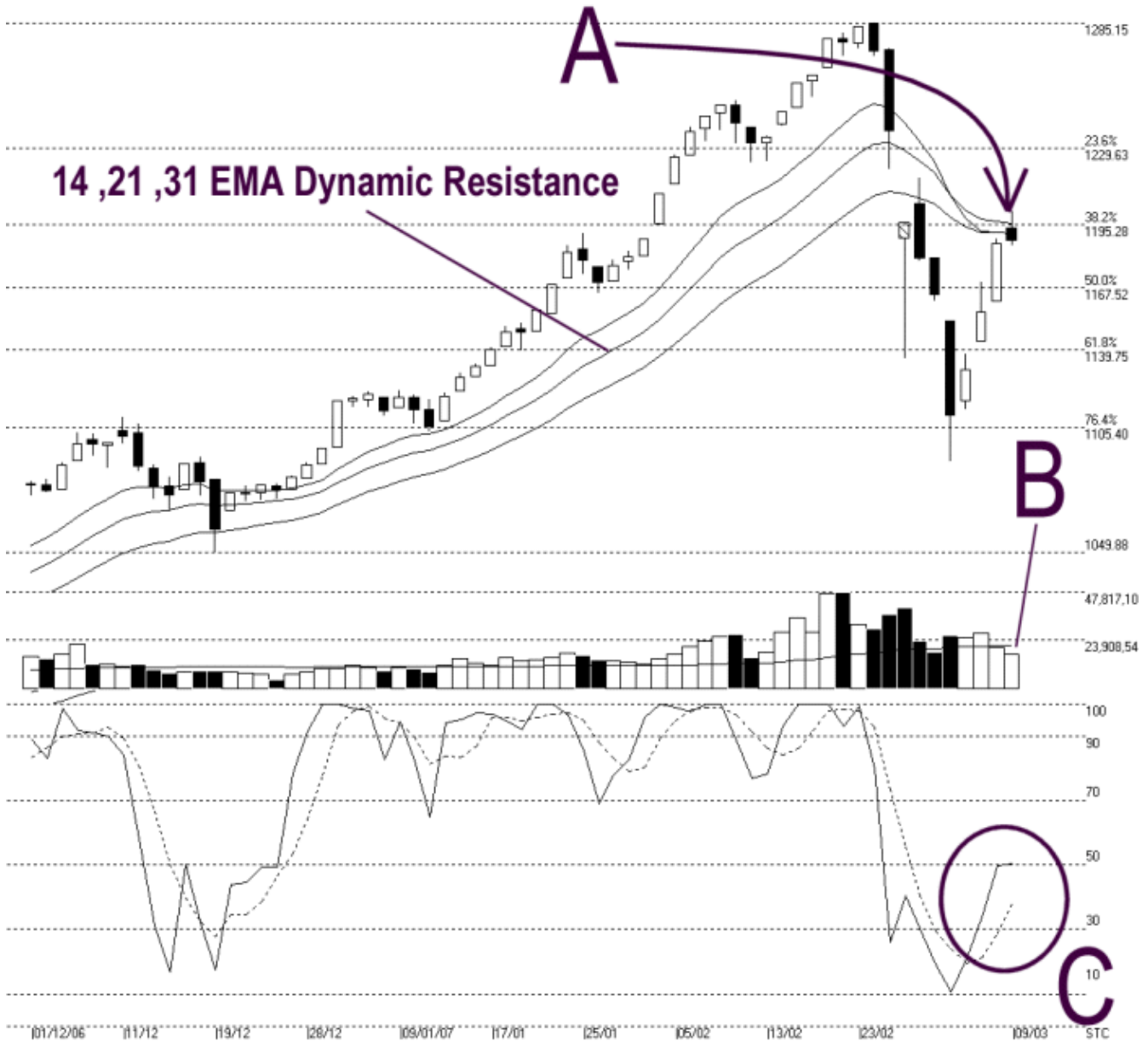




Straits Index (M) Sdn Bhd.  
WinChart Technical Analysis  
Tel: (03) 8941 6828  
Fax: (03) 8941 9828  
email: [info@straitsindex.com](mailto:info@straitsindex.com)

Open:1194.200 High:1201.450 Low:1186.310 Close:1188.830 +1.770(0.1%) Volume:17,171,269 (-2964099,-14.7%)  
COMPOSITE INDEX [COMPOSITE] 01/12/2006 - 09/03/2007 Ticks=65 Moving Averages e(14,21,31) - Volume Daily (Fibo)  
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### Composite Index Daily Technical Analysis, 09/03/2007, by Straits Index (M) Sdn Bhd

As pointed by A on the chart above, the KLCI tested the 14, 21, 31 EMA dynamic resistance on Friday, while remained resisted. This suggested that the 14, 21, 31 EMA is still the resistance for the KLCI, and the support for the KLCI is still at 1105.40 Fibonacci Retracement.

Total market volume for Friday declined another 14.7% and remained below the 40 days VMA level.

This suggested that relatively, majority of traders are still sidelined thus the market participation is still low. Generally, when volume is below the 40 days VMA level, the market movement is likely to stay weak, and therefore, the KLCI movement is still negative bias. (Study B)

As circled by C, Stochastic %D broke above 30% level, leaving the short-term bearish region to the short-term neutral region. Therefore, the current short-term movement for the KLCI is at neutral. In order for the KLCI to regain its strength, the Stochastic must break above 70% level. (Study C)