



**STRAITS
index**

Straits Index (M) Sdn Bhd.
 WinChart Technical Analysis
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Open:1360.660 High:1367.940 Low:1357.050 Close:1357.660 +5.270(0.4%) Volume:14,848,717 (+3906851.35.7%)
 COMPOSITE INDEX [COMPOSITE] 13/02/2007 - 11/06/2007 Ticks=80 Moving Averages e(14,21,31) - Volume Daily
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Composite Index Daily Technical Analysis, 11/06/2007, by Straits Index (M) Sdn Bhd

The KLCI retested the 1336 resistance again on Monday, with a daily high touching precisely at 1367.94 points. However, the KLCI closed below the 1368 resistance at 1357.66 points, up 5.27 points. Therefore, the trading range of the KLCI remains intact. Nevertheless, the KLCI must break above the

1368 successfully with a significant increase of volume in order to have a convincing break out signal.

As indicated by B, total market volume for Monday increased 35.7% with over 148 million shares. Meanwhile, the total market volume also breaks above the 40-day VMA level by margin. If the total market volume should remain above the 40-day VMA level, the sentiment for the market would improve, and could help the KLCI in breaking above the 1368 resistance.

As circled at C, the Stochastic is still showing a neutral signal with the %K line staying in the 50% level while the %D line is still situated in the short term bullish region. Therefore, if the %K line should rise and break above the 70% level, the Stochastic should show another short term bullish signal. (Study C)