



Straits Index (M) Sdn Bhd.  
WinChart Technical Analysis  
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Open:1375.060 High:1383.220 Low:1374.890 Close:1377.140 +4.000(0.3%) Volume:12,581,949 (+257331.2.1%)  
COMPOSITE INDEX [COMPOSITE] 12/03/2007 - 04/07/2007 Ticks=80 Moving Averages e(14,21,31) - Volume Daily  
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### Composite Index Daily Technical Analysis, 04/07/2007, by Straits Index (M) Sdn Bhd

As indicated by A, the KLCI ended slightly higher on Wednesday, while closing above the 14, 21, 31 EMA. Resistance for the KLCI remains at the 1391.57 level while the support is still at the 1332 level. If the KLCI should break above the 1391.57 level, the 14, 21, 31 EMA shall continue serving as the dynamic support. (Study A)

Total market volume on Wednesday increased 2.1% while staying slightly above the 40-day VMA level. This suggests that the market participation has slightly improved and relatively sufficient. If the volume should continue maintaining above the 40-day VMA level, the market sentiment is likely to improve and the increase of volume is the most important element if the KLCI was to test the 1391.57 resistance.

As circled at C, the Stochastic %D line rises and breaks above the 30% level, leaving the short term bearish region to the neutral region. At the moment, the Stochastic is showing a neutral signal. If the Stochastic should break above the 70% level, it would be a short term bullish signal. (Study C)