



Straits Index (M) Sdn Bhd.
 WinChart Technical Analysis
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Open:1378.150 High:1381.320 Low:1366.990 Close:1371.450 -7.240(-0.5%) Volume:14,408,153 (+738254.5.4%)
 COMPOSITE INDEX [COMPOSITE] 16/03/2007 - 10/07/2007 Ticks=80 Moving Averages e[14,21,31] - Volume Daily
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Composite Index Daily Technical Analysis, 10/07/2007, by Straits Index (M) Sdn Bhd

The KLCI retreated 7.24 points on Tuesday to close at 1371.45 points. As indicated by A, the KLCI is still supported by the 14, 21, 31 EMA, and therefore, the EMA is still serving as the dynamic support to the KLCI. (Study A) Nevertheless, the resistance for the KLCI is still at 1391.57 level while the 1332 is the next support level for the KLCI.

Total market volume increased 5.4% on Tuesday, and remains above the 40-day VMA level. With the volume staying above the 40-day VMA level, the market participation is now relatively active. Therefore, if the KLCI should remain supported by the 14, 21, 31 EMA, the increase of the volume would likely to improve the market sentiment. (Study B)

As circled at C, the Stochastic %K falls marginally below the 70% level, with the %D remains below the 70% level. Therefore, the Stochastic %D did not confirm the short term bullish signal, and as a result, the Stochastic is still showing a neutral signal. (Study C)