



Straits Index (M) Sdn Bhd.
WinChart Technical Analysis
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Open:1291.050 High:1292.580 Low:1275.130 Close:1287.700 -25.690(-2.0%) Volume:10,594,472 (-1666922,-13.6%)
COMPOSITE INDEX [COMPOSITE] 23/02/2007 - 10/08/2007 Ticks=118 { Indices } Moving Averages e(14,21,31) - Volume Daily
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Composite Index Daily Technical Analysis, 10/08/2007, by Straits Index (M) Sdn Bhd

As shown on the chart above, the KLCI breached below the 1285 support line with an intra-day low touching 1275.13 points. However, it managed to close just above the 1285 level, and therefore, the 1285 point is still the support level to the KLCI. Nevertheless, as indicated by A, the 14, 21, 31 EMA dynamic resistance is still falling. If the KLCI should continue staying below the falling dynamic resistance, the outlook for the KLCI shall remain bearish biased.

Total market volume on Friday was 13.6% lower and continue staying below the 40-day VMA level. This shows that the market participation was relatively low, and therefore, this implies that the market confident is still weak. Therefore, if the volume should continue staying below the 40-day VMA level, the market sentiment is expected to be weak. (Study B)

As circled at C, the Stochastic %K line returned to the short term bearish region after briefly breaking above the 30% level. Therefore, the market movement for the short term shall remains bearish biased. (Study C)