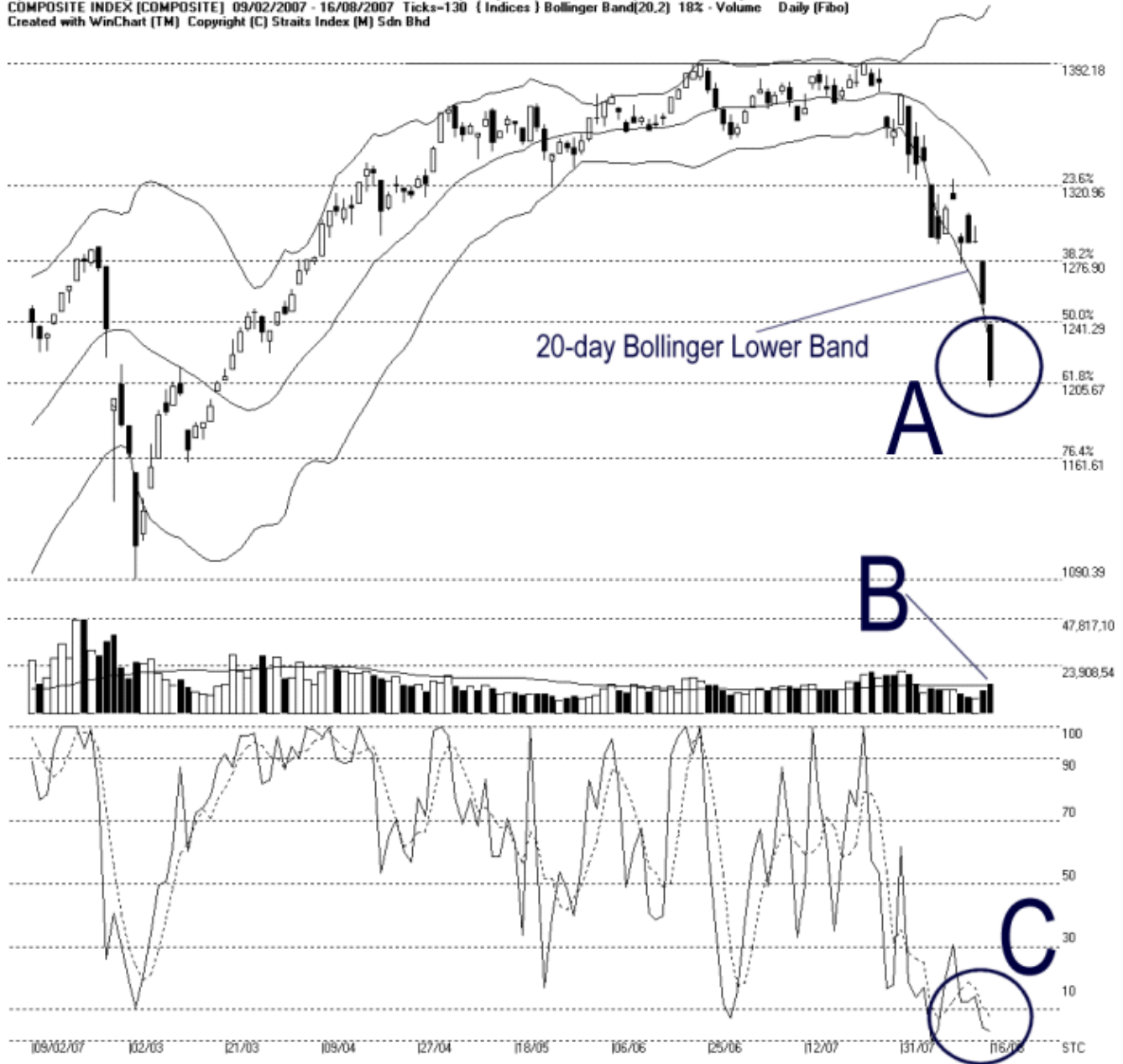




Straits Index (M) Sdn Bhd.
WinChart Technical Analysis
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Open:1239.800 High:1239.800 Low:1202.900 Close:1207.610 -44.210(-3.5%) Volume:15,202,299 (+3211992,26.8%)
COMPOSITE INDEX [COMPOSITE] 09/02/2007 - 16/08/2007 Ticks=130 { Indices } Bollinger Band(20.2) 18% - Volume Daily (Fibo)
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Composite Index Daily Technical Analysis, 16/08/2007, by Straits Index (M) Sdn Bhd

On Thursday, the KLCI fell a total of 44.21 points. The KLCI also breaks below the 50% Fibonacci Retracement support line at the 1241 level. At the moment, the KLCI is supported by the 1205 Fibonacci Retracement line, and if the KLCI should rebound from this level, it is likely to consolidate at this level.

Meanwhile, as circled at A, the KLCI has fallen below the 20-day Bollinger Lower Band, and

therefore, suggesting that the KLCI is now at an over-sold situation. Therefore, the KLCI is likely to have a technical rebound. However, if the KLCI should remain below the falling 14, 21, 31 EMA, the immediate outlook shall remain bearish biased.

Total market volume on Thursday increased 26.8%. However, the increase of volume as the KLCI fell sharply could imply an increase of selling intensity. Unless the KLCI could rebound with sustainable volume above the 40-day VMA level, or the market sentiment should remain bearish biased. (Study B)

On Thursday, the Stochastic is still showing a bearish signal. As circled at C, the Stochastic is now slightly below the 10% level, which is the short term over-sold region. Therefore, there is a chance for the KLCI to rebound in the near term. However, if the Stochastic should remain below the 30% level after the technical rebound, the market movement for the short shall remain bearish biased. (Study C)