



Straits Index (M) Sdn Bhd.  
WinChart Technical Analysis  
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Open:1204.410 High:1218.820 Low:1141.560 Close:1191.550 -16.060(-1.3%) Volume:18,265,229 (+3062930,20.1%)  
COMPOSITE INDEX [COMPOSITE] 02/03/2007 - 17/08/2007 Ticks=118 { Indices } Bollinger Band(20,2) 14% - Volume Daily  
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### Composite Index Daily Technical Analysis, 17/08/2007, by Straits Index (M) Sdn Bhd

On Friday, the KLCI had a daily low reaching at 1141.56 points; and it rebounded and closed at 1191.55 points. As circled at A, the KLCI is still staying below the 20-day Bollinger Lower Band, and therefore, a “pull-back” effect is still likely to take place as a form of technical rebound.

Despite having a chance for a technical rebound, the immediate outlook for the KLCI remains bearish

for it is still staying below the falling 14, 21, 31 EMA dynamic resistance.

Total market volume on Friday increased another 20.1%, suggesting an increase of conflict between the fearful sellers and the greedy buyers. Nevertheless, if the volume should maintain above the 40-day VMA level, with the KLCI rebounding, the market sentiment would improve.

As circled at C, the Stochastic rises above the 10% level, which is a short term technical rebound signal. However, with the Stochastic still staying below the 30% level, the market movement for the short term remains bearish biased. (Study C)