



Straits Index (M) Sdn Bhd.
WinChart Technical Analysis
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Open:1374.550 High:1382.780 Low:1363.220 Close:1364.140 -8.250(-0.6%) Volume:21,542,546 (+548866.2.6%)
COMPOSITE INDEX [COMPOSITE] 18/06/2007 - 08/10/2007 Ticks=80 { Indices } Moving Averages e(14,21,31) - Volume Daily (Fibo)
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Composite Index Daily Technical Analysis, 08/10/2007, by Straits Index (M) Sdn Bhd

As shown on the chart above, the KLCI continued its consolidation on Monday, closing 8.25 points lower to 1364.14 points. However, as indicated by A, the 14, 21, 31 EMA is still serving as the dynamic support for the KLCI, and if the KLCI should rebound from the rising dynamic support, the uptrend for the KLCI shall resume, and the KLCI would test the all time high at 1392.18 points.

As indicated by B, total market volume increased another 2.6% while clearly above the 40-day VMA level. Generally, volume above the 40-day VMA level suggests an improving market participation and inflow of fresh capital; however, if the KLCI should consolidate or correct with high volume, this could imply a stronger resistance ahead as selling pressure increases.

As indicated by C, the MACD histogram continue ticking lower, and the rounding top signal remains intact. This shows that the KLCI is indeed consolidating, and the consolidation is expected to continue until the MACD histogram tick up and form a rounding bottom.