



**Straits Index (M) Sdn Bhd.**  
**WinChart Technical Analysis**  
**Tel: (03) 8941 6828**  
**Fax: (03) 8941 9828**  
**email: [info@straitsindex.com](mailto:info@straitsindex.com)**

Open:1387.820 High:1391.750 Low:1382.440 Close:1385.450 -6.160(-0.4%) Volume:7.796.557 (+602415.84%)  
 COMPOSITE INDEX [COMPOSITE] 24/08/2007 - 18/12/2007 Ticks=80 (Indices) Moving Averages e(14.21.31) - Volume Daily  
 Created with WinChart (TM) Copyright (C) Straits Index (M) Sdn Bhd



### Composite Index Daily Technical Analysis, 18/12/2007, by Straits Index (M) Sdn Bhd

On Tuesday, the KLCI fell 6.16 points to close at 1385.45 points. As indicated by A, the KLCI is now staying below the 14, 21, 31 EMA. If the KLCI should continue resisted by the 14, 21, 31 EMA, it would serve as the dynamic resistance for the KLCI, and the KLCI movement is expected to stay bearish biased. Nevertheless, support for the KLCI is still seen at 1340 level.

As indicated by B, total market volume increased 8.4% on Tuesday. However, it is still below the 40-day VMA level, which suggests that the overall market participation is still insufficient. In short, the market is lack of inflow of fresh capital, thus is likely to remain weak.

As circled at C, the Stochastic is still staying below the 30% level, that is the short term bearish region. Therefore, as long as the Stochastic is staying below the 30% level, the market movement for the short term is expected to be bearish biased.