



Straits Index (M) Sdn Bhd.
WinChart Technical Analysis
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Open:1388.270 High:1403.830 Low:1388.270 Close:1403.560 +16.350(1.2%) Volume:6,362,419 (-61822,-1.0%)
COMPOSITE INDEX [COMPOSITE] 28/08/2007 - 21/12/2007 Ticks=80 (Indices) Moving Averages e(14,21,31) - Volume Daily
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Composite Index Daily Technical Analysis, 21/12/2007, by Straits Index (M) Sdn Bhd

On Friday, the KLCI rebounded a total of 16.35 points, closing at 1403.56 points. As indicated by A, the KLCI is testing the 14, 21, 31 EMA dynamic resistance again. If the KLCI should break above the 14, 21, 31 EMA successfully, the EMA would reverse its role to serve as the dynamic support for the KLCI. Support for the KLCI is still seen at 1340 level, while the next resistance is at 1449.70.

As indicated by B, total market volume was almost unchanged, while still staying below the 40-day VMA level. Therefore, despite the KLCI rebounded more than 16 points, the low volume on Friday fail to show any strength of the market. Therefore, as long as the volume is still below the 40-day VMA level, the KLCI is likely to remain weak.

As circled at C, the Stochastic %K line breaks above the 30% level by margin. If the Stochastic should break above the 30% level successfully, the short term market movement shall turn from bearish biased to neutral.