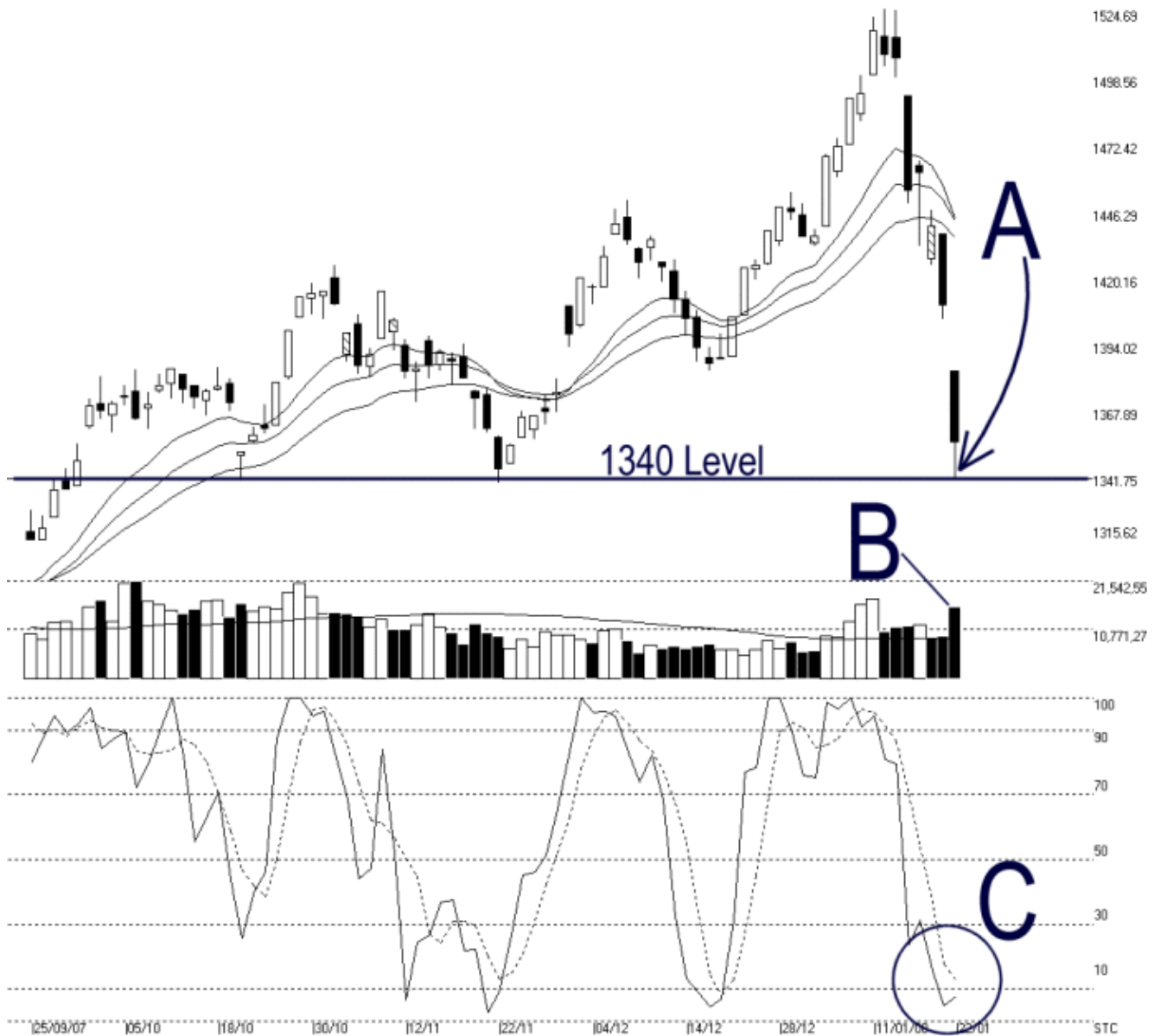




Straits Index (M) Sdn Bhd.
WinChart Technical Analysis
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Open:1382.430 High:1382.430 Low:1340.290 Close:1354.480 -54.120(-3.8%) Volume:15,813,210 (+6323548,66.6%)
COMPOSITE INDEX [COMPOSITE] 25/09/2007 - 22/01/2008 Ticks=80 { Indices } Moving Averages e(14,21,31) - Volume Daily
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Composite Index Daily Technical Analysis, 22/01/2008, by Straits Index (M) Sdn Bhd

As indicated by A, the KLCI rebounded from the 1340 level after falling sharply. Therefore, the current support for the KLCI is at 1340 level. Meanwhile, the 14, 21, 31 EMA is now serving as the dynamic resistance for the KLCI, and provided that the KLCI is still resisted by the falling dynamic resistance, the outlook for the KLCI shall remains bearish biased.

As indicated by B, total market volume increased 66.6% on Tuesday, while breaking above the 40-day VMA level. This shows that the interests of the market has increased, and therefore, suggesting a stronger memory of traders at around the 1340 level. Therefore, if the KLCI should rebound from 1340 with strong volume, the 1340 level would likely to be a reliable support for the KLCI.

As circled at C, the Stochastic is now staying below the 30% level, which is the short term bearish region. If the Stochastic should remain below the 30% level, the market movement for the short term is expected to be bearish biased.

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