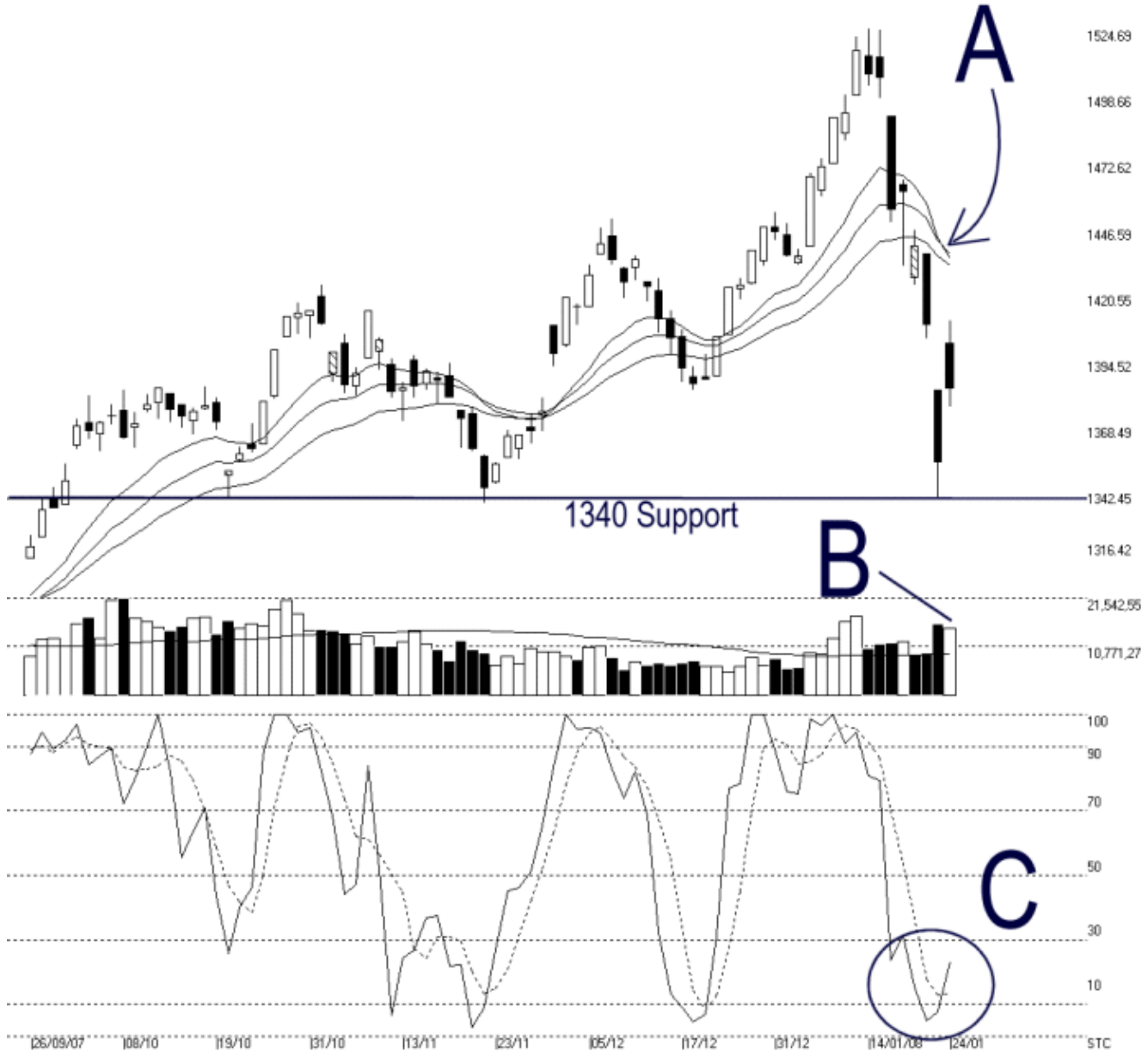




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WinChart Technical Analysis  
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Open:1401.250 High:1409.930 Low:1376.000 Close:1383.350 +28.870(2.1%) Volume:14,815,378 (-997832,-6.3%)  
COMPOSITE INDEX [COMPOSITE] 26/09/2007 - 24/01/2008 Ticks=80 { Indices } Moving Averages e(14,21,31) - Volume Daily  
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### Composite Index Daily Technical Analysis, 24/01/2008, by Straits Index (M) Sdn Bhd

As shown on the chart above, the KLCI rebounded after finding its support at the 1340 level. However, as indicated by A, the 14, 21, 31 EMA is still serving as the dynamic resistance for the KLCI. Therefore, if the KLCI should remain resisted by the falling dynamic resistance, the outlook shall remain bearish biased.

As indicated by B, total market volume declined 6.3%, but still remain above the 40-day VMA level. This

shows that the overall market participation is still active. Since the KLCI is staying below the dynamic support, the relatively higher volume would rather be controversial. If the KLCI should remain resisted by the dynamic resistance with higher volume, it would suggest that the selling pressure is still strong. If the KLCI should break above the dynamic resistance with higher volume, it would suggest an increase of buying interest, thus the chances for the KLCI to resume its previous bullish movement would be higher.

As circled at C, despite the KLCI opened higher on Thursday and closing some 28 points higher, the Stochastic is still showing a short term bearish signal. As long as the Stochastic is still staying below the 30% level, the market movement for the short term shall remain bearish biased.

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