



Straits Index (M) Sdn Bhd.  
WinChart Technical Analysis  
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Open:1415.560 High:1418.560 Low:1404.860 Close:1407.380 -8.560(-0.6%) Volume:6,206,642 (+1076972.21,0%)  
COMPOSITE INDEX [COMPOSITE] 09/10/2007 - 11/02/2008 Ticks=80 { Indices } Moving Averages e[14,21,31] - Volume Daily  
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### Composite Index Daily Technical Analysis, 11/02/2008, by Straits Index (M) Sdn Bhd

As indicated by A, the KLCI ended 8.56 points lower on Monday after briefly moving sideways in the congestion zone of the 14, 21, 31 EMA dynamic resistance. If the KLCI should remain resisted by the dynamic resistance, the immediate outlook shall turn bearish biased. Nevertheless, support for the KLCI is still at 1340 level while the overhead resistance is still capped at 1450 level.

As indicated by B, total market volume on Monday was 21% higher, but still below the 40-day VMA level. This shows that the overall market participation is still relatively low. It is necessary to point out that the lower volume also means a low capital inflow to the market, and therefore, without sufficient inflow of fresh capital, the KLCI is expected to move sideways to slightly bearish biased.

As circled at C, the Stochastic shows a mixed signal on Monday. Although the %D line breaks above the 70% level, the %K line failed to stay above the 70% level. If the Stochastic %D should also fall below the 70% level, the Stochastic would most likely suggesting a short term neutral signal.

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