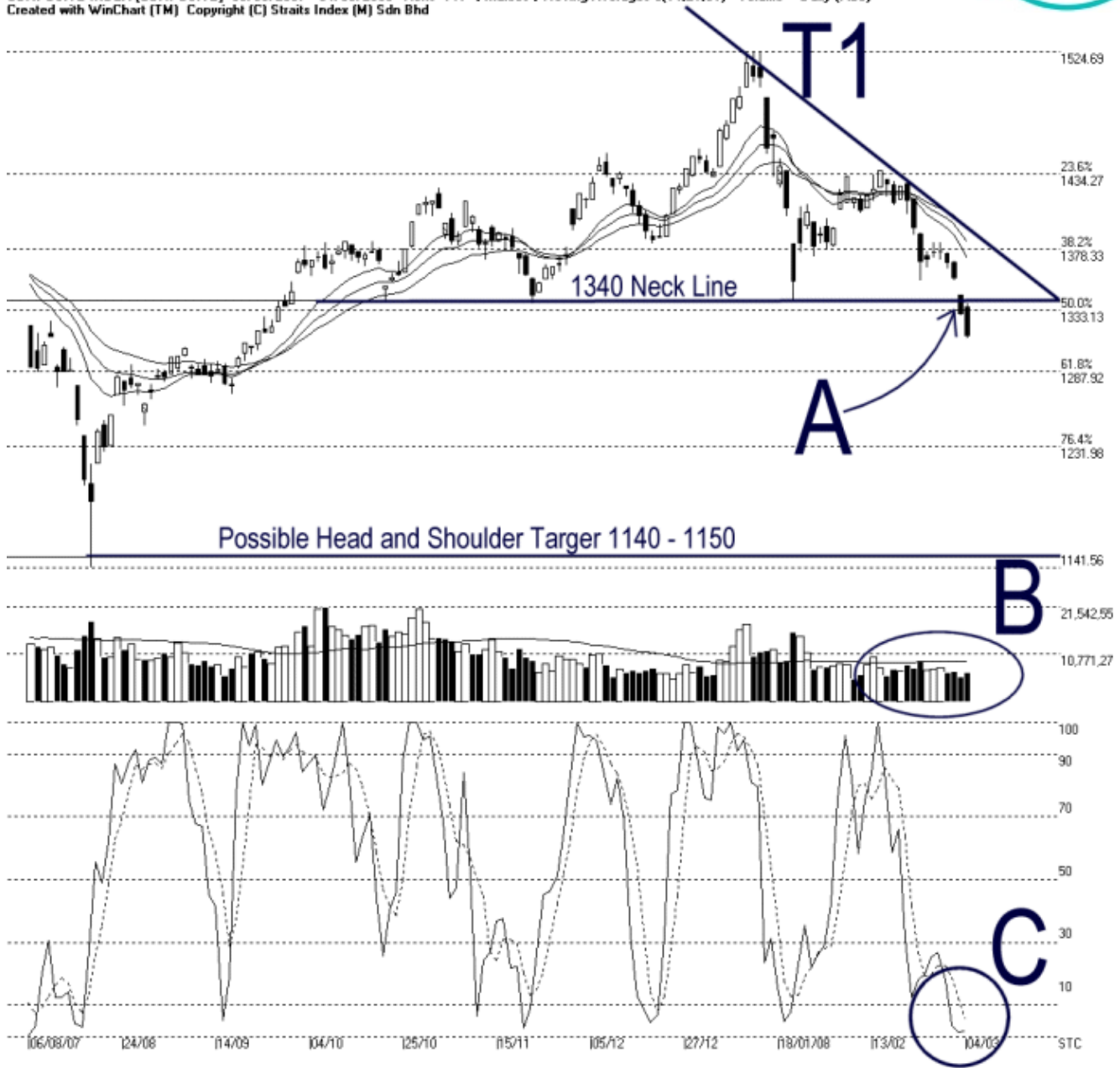




Straits Index (M) Sdn Bhd.
WinChart Technical Analysis
Tel: (03) 8941 6828
Fax: (03) 8941 9828
email: info@straitsindex.com



Open:1335.170 High:1337.710 Low:1311.980 Close:1314.020 -16.590(-1.2%) Volume:6,578,214 (+773597,13.3%)
COMPOSITE INDEX [COMPOSITE] 06/08/2007 - 04/03/2008 Ticks=141 { Indices } Moving Averages e(14,21,31) - Volume Daily (Fibo)
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Composite Index Daily Technical Analysis, 04/03/2008, by Straits Index (M) Sdn Bhd

As indicated by A, the KLCI breached below the 1340 support, which is also the neck line of the Head and Shoulder top. Therefore, this shows that the KLCI is in the bearish trend, with 14, 21, 31 EMA and the T1 downtrend line still serving as the dynamic resistance. Supports for the KLCI are seen at 1288 followed by the 1232 Fibonacci Retracement.

In addition, based on the classic Head and Shoulder Top pattern, the distance from the neck line to the top of the head would be the projected distance from the neck line to the next target, which is seen at 1140 – 1150 level.

As circled at B, total market volume on Tuesday increased 13.3% but remains below the 40-day VMA level. Therefore, this shows that the KLCI is still on the weaker side, as the market participation at a whole is still insufficient.

As circled at C, the Stochastic %D line falls below the 30% level on Tuesday. This shows that the KLCI is now over-sold, which suggests a chance of a technical rebound. However, if the Stochastic should remain below the 30% level after a possible technical rebound, the market movement for the short term is still bearish biased.

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