



Straits Index (M) Sdn Bhd.  
WinChart Technical Analysis  
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Open:1242.640 High:1242.640 Low:1157.470 Close:1173.220 -123.110(-9.5%) Volume:11,813,197 (+4943576.72.0%)  
COMPOSITE INDEX [COMPOSITE] 08/08/2007 - 10/03/2008 Ticks=143 { Indices } Moving Averages e(14,21,31) - Volume Daily (Fibo)  
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### Composite Index Daily Technical Analysis, 10/03/2008, by Straits Index (M) Sdn Bhd

As shown on the chart above, the KLCI breaks below the 1288 temporary support, closing 123.11 points lower to 1173.22 points. As indicated by A, the KLCI is likely to head to the 1140 – 1150 level, which is the possible target level for the Head and Shoulder Top. Nevertheless, provided that the KLCI is still resisted by the 14, 21, 31 EMA or the T1 downtrend resistance line, the outlook for the KLCI shall remain bearish biased.

As indicated by B, total market volume increased 72% on Monday, and it breaks above the 40-day VMA level. However, since the KLCI falls dramatically, the significant increase of the volume actually signifies the increase of selling pressure. If volume should increase again with the KLCI falling, it would suggest that the bearish sentiment or the selling intensity is high.

As circled at C, the Stochastic remains below the 30% level, and therefore the short term bearish signal remains intact. Provided that the Stochastic is still staying below 30% level, the market movement for the short term is likely to be bearish biased.

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