



Straits Index (M) Sdn Bhd.  
WinChart Technical Analysis  
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Open:1240.590 High:1251.350 Low:1231.080 Close:1232.590 +26.050(2.2%) Volume:8,668,952 [-2256196,-20.7%]  
COMPOSITE INDEX [COMPOSITE] 10/08/2007 - 12/03/2008 Ticks=143 { Indices } Moving Averages e(14,21,31) - Volume Daily (Fibo)  
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### Composite Index Daily Technical Analysis, 12/03/2008, by Straits Index (M) Sdn Bhd

With overnight Dow Jones Industrial Average index gaining ver 400 points, the KLCI opened gap up 34.05 points, before settled down at 1232.59 points. As indicated by A, the KLCI is now testing the resistance level at the Break-away Gap on Monday (1244 - 1280 points). For the moment, the gap from 1244 to 1280 shall remains a strong resistance for the KLCI. Meanwhile, T1 and the 14, 21, 31 EMA are still the dynamic resistance for the KLCI, and therefore, the downtrend is still intact. Support for the KLCI is at 1150 level.

As indicated by B, total market volume on Wednesday declined another 20.7%, despite a remarkable gain of the Dow Jones Industrial Average. Therefore, this shows a weakness in the KLCI performance, as the gain on Tuesday and Wednesday are considered as a technical rebound. As long as the total market volume remains below the 40-day VMA level, the KLCI is likely stay weak.

As circled at C, the Stochastic %K line breaks above the 30% marginally on Wednesday. If the Stochastic %D line should also break above the 30% level, it would confirm the %K line signal, and ends the short term bearish signal.

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