



Straits Index (M) Sdn Bhd.  
WinChart Technical Analysis  
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Open:1257.020 High:1259.100 Low:1246.340 Close:1247.520 -10.890[-0.9%] Volume:6,171,581 (-3317113.-35.0%)  
COMPOSITE INDEX [COMPOSITE] 28/11/2007 - 31/03/2008 Ticks=80 { Indices } Moving Averages e(14,21,31) - Volume Daily (Fibo)  
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### Composite Index Daily Technical Analysis, 31/03/2008, by Straits Index (M) Sdn Bhd

As indicated by A, the KLCI stays in the congestion zone of the 14, 21, 31 EMA as well as resisted at the Gap (1244 – 1280). Meanwhile, the T1 downtrend line remains intact, and therefore, suggesting that the KLCI is still staying in the downtrend despite the recent well-favored rebound. Nevertheless, the recent rebound has definitely improved the market sentiment, and therefore, if the market volume should increase, the KLCI would have a better chance to break above the gap resistance.

As indicated by B, total market volume declined 35%. Based on the technical analysis point of view, if the KLCI should have a technical correction, a lower volume would suggest a healthy correction. However, if the KLCI should attempt to break the gap resistance, a stronger volume is needed.

As circled at C, the Stochastic %D line is above the 90% level, which is a short term over-bought signal, suggesting that the KLCI has gone over heated, and a technical correction is only normal. However, if the Stochastic should remain above the 70% level after the technical correction, the short term movement for the KLCI is still bullish biased.

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