



Straits Index (M) Sdn Bhd.
 WinChart Technical Analysis
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Open:1250.600 High:1256.260 Low:1245.110 Close:1246.790 -1.400(-0.1%) Volume:4,941,502 (-1459568,-22.8%)
 COMPOSITE INDEX [COMPOSITE] 11/12/2007 - 11/04/2008 Ticks=80 { Indices } Bollinger Band(10,2) -4% - Volume Daily
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Composite Index Daily Technical Analysis, 11/04/2008, by Straits Index (M) Sdn Bhd

As indicated by A, the Bollinger Bands Width remains contracted on Friday, as the KLCI continue its consolidation. Meanwhile, the KLCI is still staying in the gap resistance level while the T1 downtrend line is still intact. Therefore, the outlook for the KLCI is still bearish biased. However, it pays to monitor the development of the Bollinger Bands Width, for if the Bollinger Bands Width should expand with the KLCI above the Bollinger Middle Band, it could be a beginning of a new upward direction for the KLCI. Of

course, the best confirmation to the signal would be a significant increase of volume. Support for the KLCI remains at 1150 level.

As indicated by B, total market volume dropped 22.8% on Friday, while failing to break above the 40-day VMA level. This is still suggesting that our market is lightly participated, and the inflow of fresh capital is still low. Therefore, without sufficient market participation, the KLCI is less likely to rally.

As indicated by C, the MACD histogram has not form a rounding bottom yet. Nevertheless, since the MACD line is still staying above the trigger line, the MACD bullish signal remains intact, only without adding strength. If the MACD histogram should rise, it would suggests that the MACD bullish signal is gaining strength, thus a continuation of bullish signal.

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