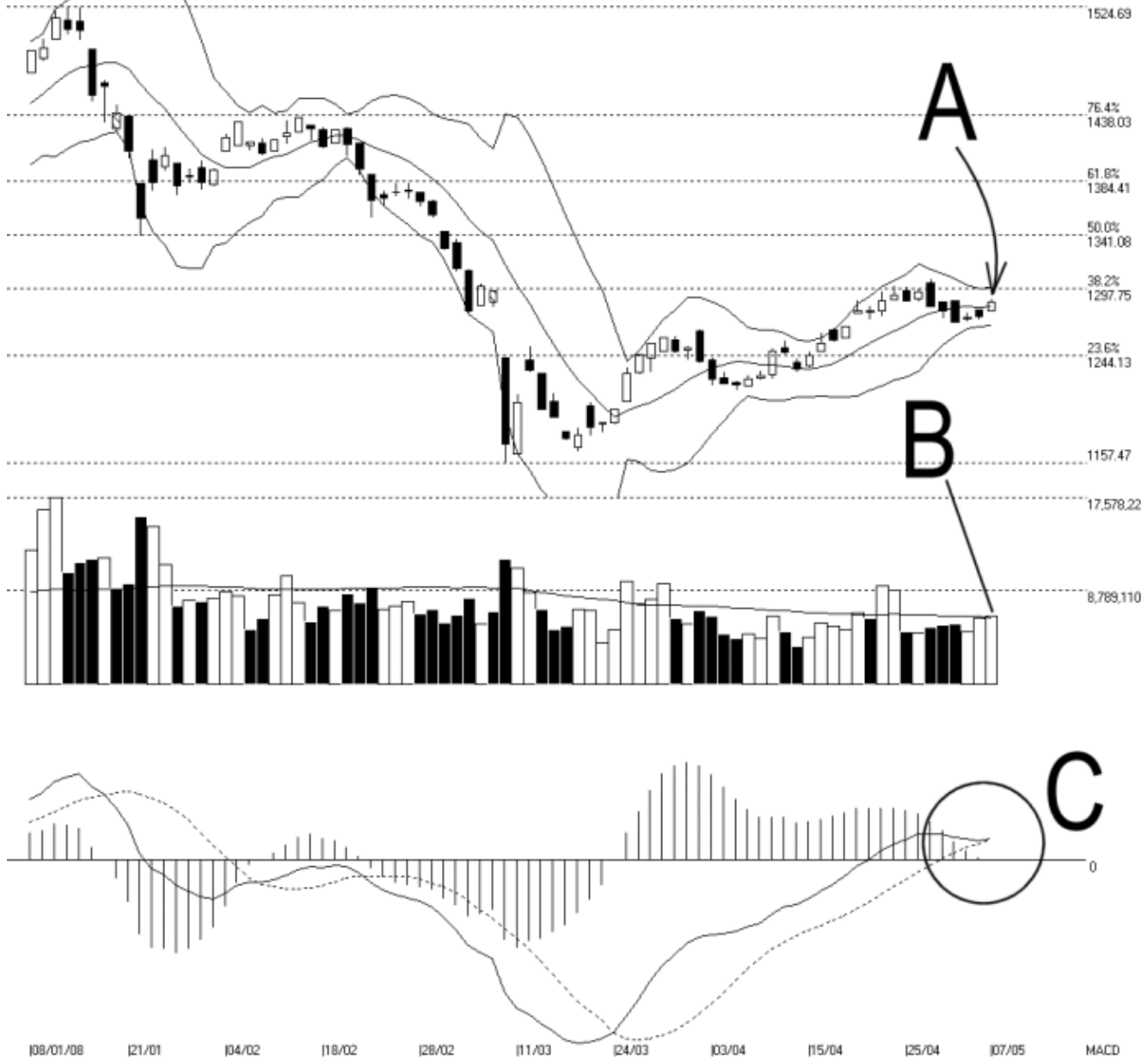




Straits Index (M) Sdn Bhd.  
WinChart Technical Analysis  
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Open:1280.520 High:1289.310 Low:1280.520 Close:1287.150 +11.060(0.9%) Volume:6,399,604 (+159614.2.6%)  
COMPOSITE INDEX [COMPOSITE] 08/01/2008 - 07/05/2008 Ticks=80 { Indices } Bollinger Band(10,2) 1% - Volume Daily (Fibo)  
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### Composite Index Daily Technical Analysis, 07/05/2008, by Straits Index (M) Sdn Bhd

As indicated by A, the Bollinger Bands Width of the KLCI expands only 1% on Wednesday, which is insignificant. Therefore, the KLCI consolidation is not yet ended. However, based on the nature of the Bollinger Bands Width, if it has contracted so much, it usually implies that the consolidation is going to end soon. Therefore, we shall expect a clearer direction for the KLCI as the Bollinger Bands Width expands. Nevertheless, resistance is still seen at 1300 level, while the support remains at 1244 Fibonacci line.

As indicated by B, total market volume increased slightly on Wednesday, with the volume managed to break above the 40-day VMA level marginally. Therefore, if the volume should continue increase and break above the 40-day VMA level, it would be a positive signal for the KLCI. It is important to note that a strong volume (which means an inflow of fresh capital) is needed to break above the 1300 psychological resistance level.

As circled at C, the MACD line did not cross below the trigger line, but instead moving higher. Therefore, if the MACD line should continue rising, it would be another bullish signal for the KLCI. The improvement of the MACD signal can be seen in the MACD histogram, if the histogram is moving higher.

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