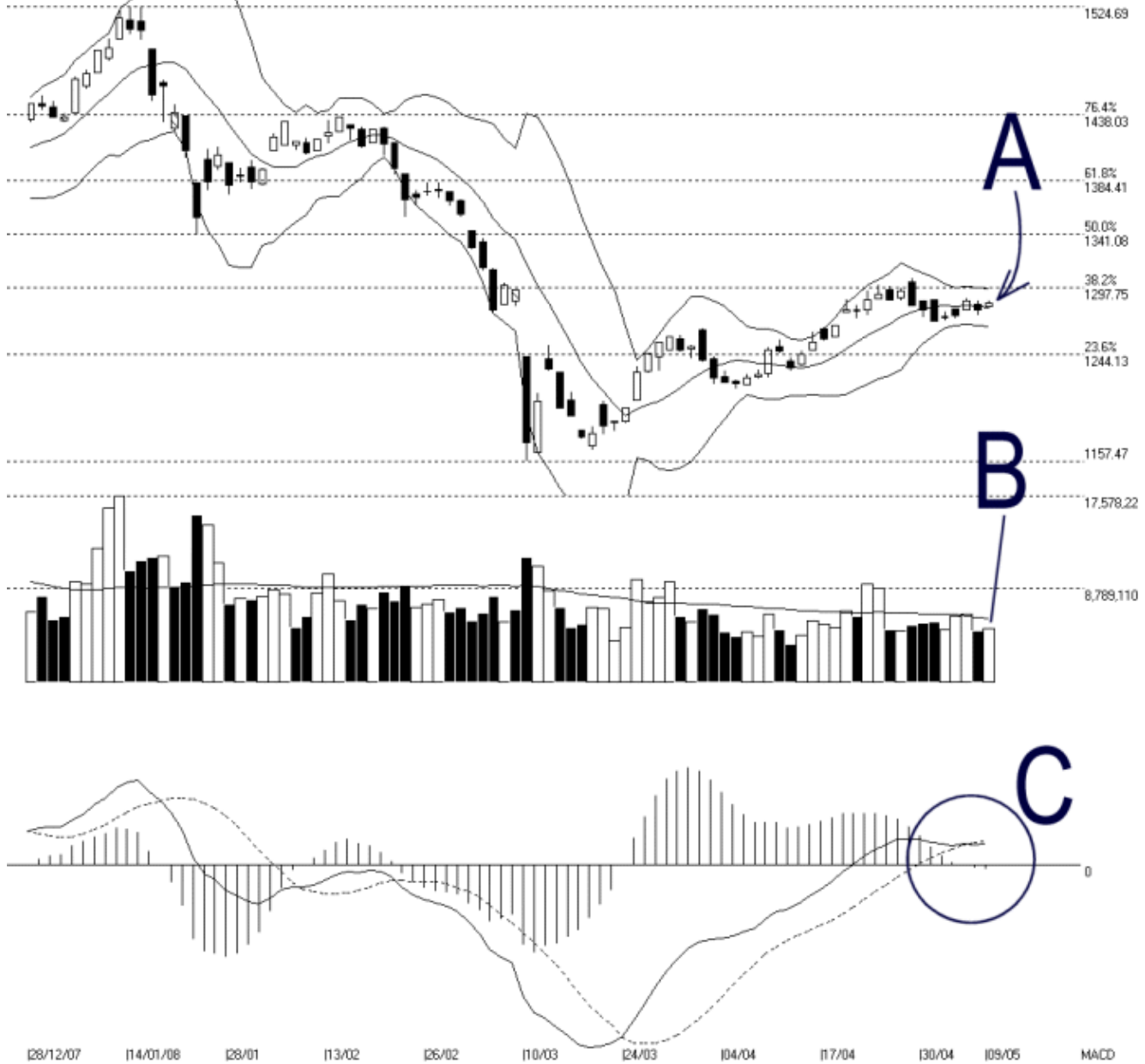




Straits Index (M) Sdn Bhd.
 WinChart Technical Analysis
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Open:1282.600 High:1287.350 Low:1281.380 Close:1285.270 +4.920(0.4%) Volume:5,098,632 (+234508,4.8%)
 COMPOSITE INDEX [COMPOSITE] 28/12/2007 - 09/05/2008 Ticks=88 { Indices } Bollinger Band(10,2) -1% - Volume Daily (Fibo)
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Composite Index Daily Technical Analysis, 09/05/2008, by Straits Index (M) Sdn Bhd

As indicated by A, the Bollinger Bands Width for the KLCI is still not expanding yet. Therefore, the direction for the KLCI is still unclear. Based on the behavior of the Bollinger Bands, the consolidation of the KLCI is likely to end soon; and it pays to monitor the Bollinger Bands Width. Again, if the KLCI should stay above the Bollinger Middle Band when the Bollinger Bands Width expands, it would be a bullish biased signal. On the contrary, if the KLCI should stay below the Bollinger Middle Band when the Bollinger

Bands Width expands, it would be a bearish biased signal.

As indicated by B, total market volume increased 4.8%, but remains below the 40-day VMA level. This shows that the market participation is still relatively low, and the KLCI is less likely to rally with such low volume. Until now, volume is still the crucial factor to the KLCI performance. If we should see more volume, which implies an increase inflow of fresh capital, the KLCI would have a better chance to break the 1300 psychological resistance level.

As circled at C, the MACD histogram is now below the zero level, suggesting that the MACD line has crossed below the trigger line, and triggered a bearish biased signal. However, since the Bollinger Bands Width is still contracting, the reliability of the MACD signal is reduced, and therefore, it is generally a good idea to monitor the Bollinger Bands Width for now.

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