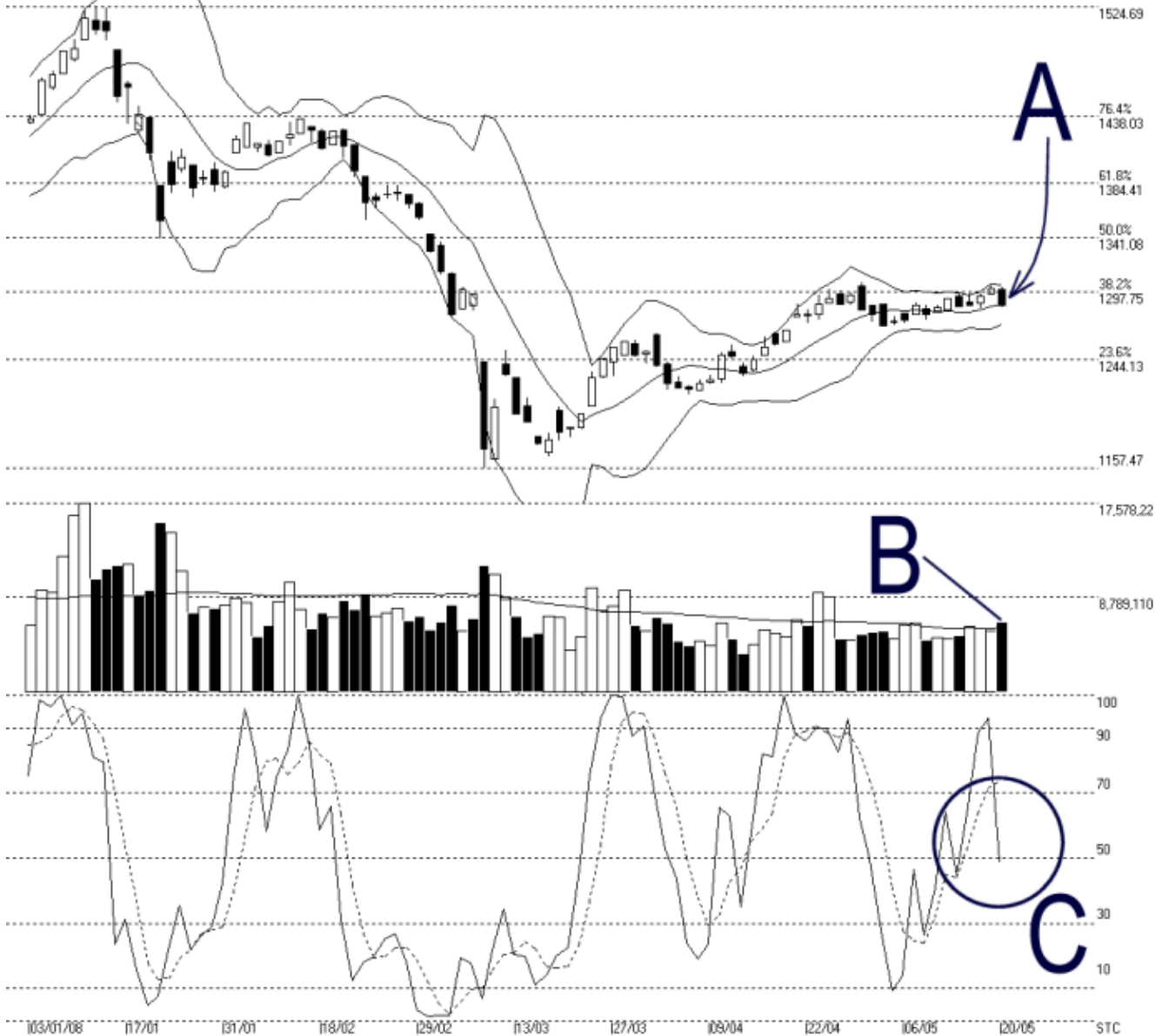




Straits Index (M) Sdn Bhd.
WinChart Technical Analysis
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Open:1300.320 High:1301.940 Low:1285.200 Close:1287.430 -13.240(-1.0%) Volume:6,518,071 (+840443.14.8%)
COMPOSITE INDEX [COMPOSITE] 03/01/2008 - 20/05/2008 Ticks=91 { Indices } Bollinger Band(10,2) -14% - Volume Daily (Fibo)
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Composite Index Daily Technical Analysis, 20/05/2008, by Straits Index (M) Sdn Bhd

After briefly touching the 1300 level, the KLCI retreated on Tuesday, and remained resisted by the 1300 resistance level. Meanwhile, as indicated by A, the Bollinger Bands Width also contracted as a result, and therefore, suggesting that the KLCI is back into consolidation. Nevertheless, the KLCI managed to stop at the Bollinger Middle Band, and therefore, if the Bollinger Bands Width should re-expand again with the KLCI staying above the Bollinger Middle Band, there is still a chance of a bullish break out.

On Tuesday, total market volume increased 14.8%, and the volume managed to break above the 40-day VMA level. This shows that the market participation has increased, and if the volume should remain above the 40-day VMA level, with the KLCI above the Bollinger Middle Band, the increase of volume might be a positive sign for the KLCI.

As circled at C, the Stochastic %K line break below the 70% level as the KLCI closed lower. Therefore, the Stochastic Short term bullish signal is now temporary violated. If the Stochastic %K line should resume to above the 70% level shortly, the short term bullish signal shall resume. For the moment, the Stochastic is showing a neutral signal.

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