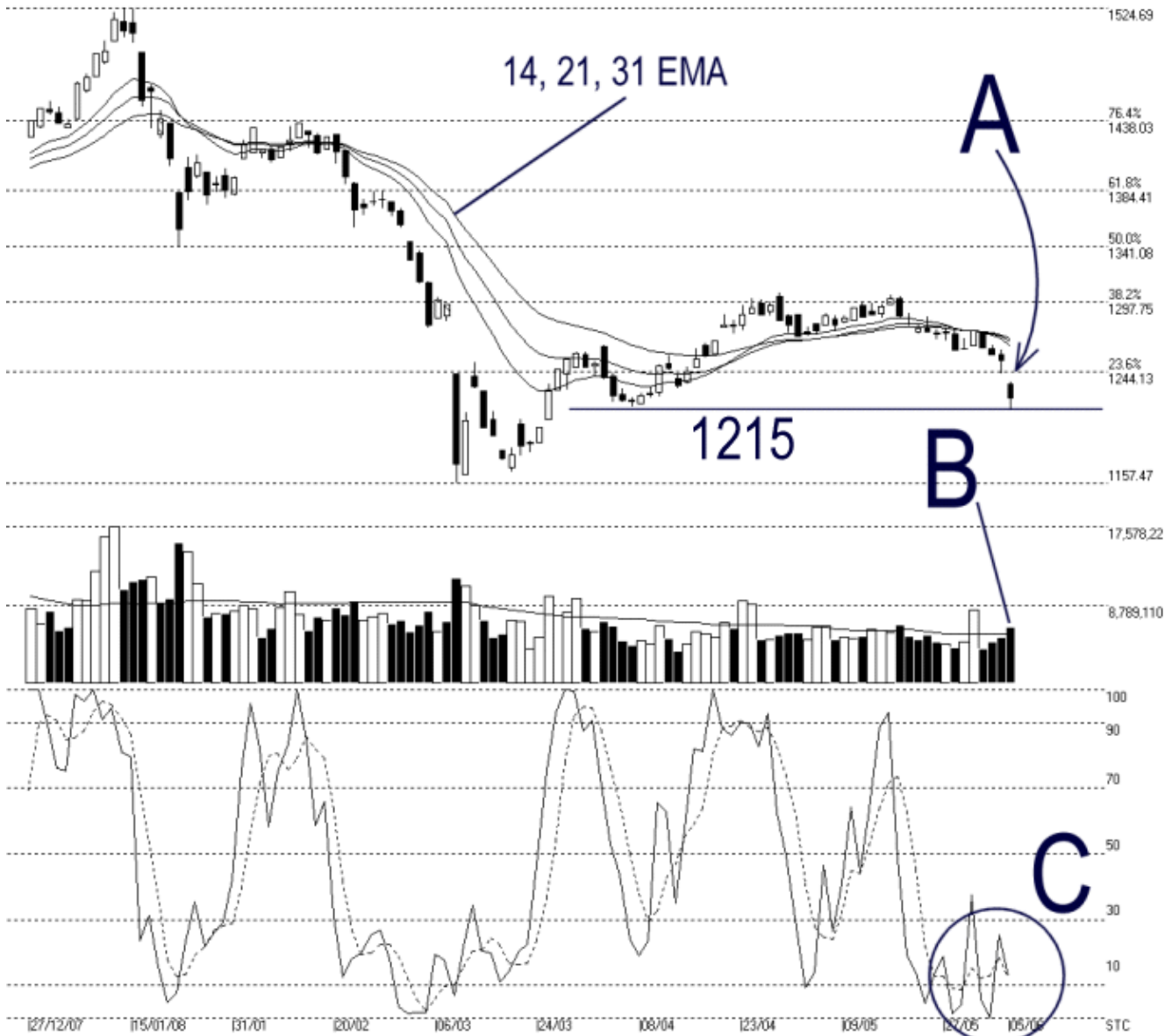




Straits Index (M) Sdn Bhd.
WinChart Technical Analysis
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Open:1234.040 High:1236.430 Low:1214.370 Close:1223.560 -29.560(-2.4%) Volume:6,268,741 (+1086236.21.0%)
COMPOSITE INDEX [COMPOSITE] 27/12/2007 - 05/06/2008 Ticks=107 { Indices } Moving Averages e(14,21,31) 1263.235, 1267.074, 1269.504
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Composite Index Daily Technical Analysis, 05/06/2008, by Straits Index (M) Sdn Bhd

As indicated by A, the KLCI gapped down on Thursday, closing 29.56 points lower to 1223.56 points. The KLCI breaks below the 1244 Fibonacci Retracement support line, and may find a temporary support at 1215 level. Nevertheless, the falling of the 14, 21, 31 EMA is still the main dynamic resistance for the KLCI, and as long as the KLCI is still resisted by the falling EMA, the outlook shall remain bearish biased.

Total market volume increased 21% on Thursday, but however, the increase of volume was associated by a sharp fall of the KLCI. Therefore, the increase of volume suggests some increase of selling pressure. If the volume should remains relatively higher while the KLCI is falling, it would further dampen the market sentiment. (Study B)

As circled at C, the Stochastic remains below the 30% level, which is the short term bearish region. Therefore, the Stochastic is still suggesting a short term bearish movement for the KLCI.

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