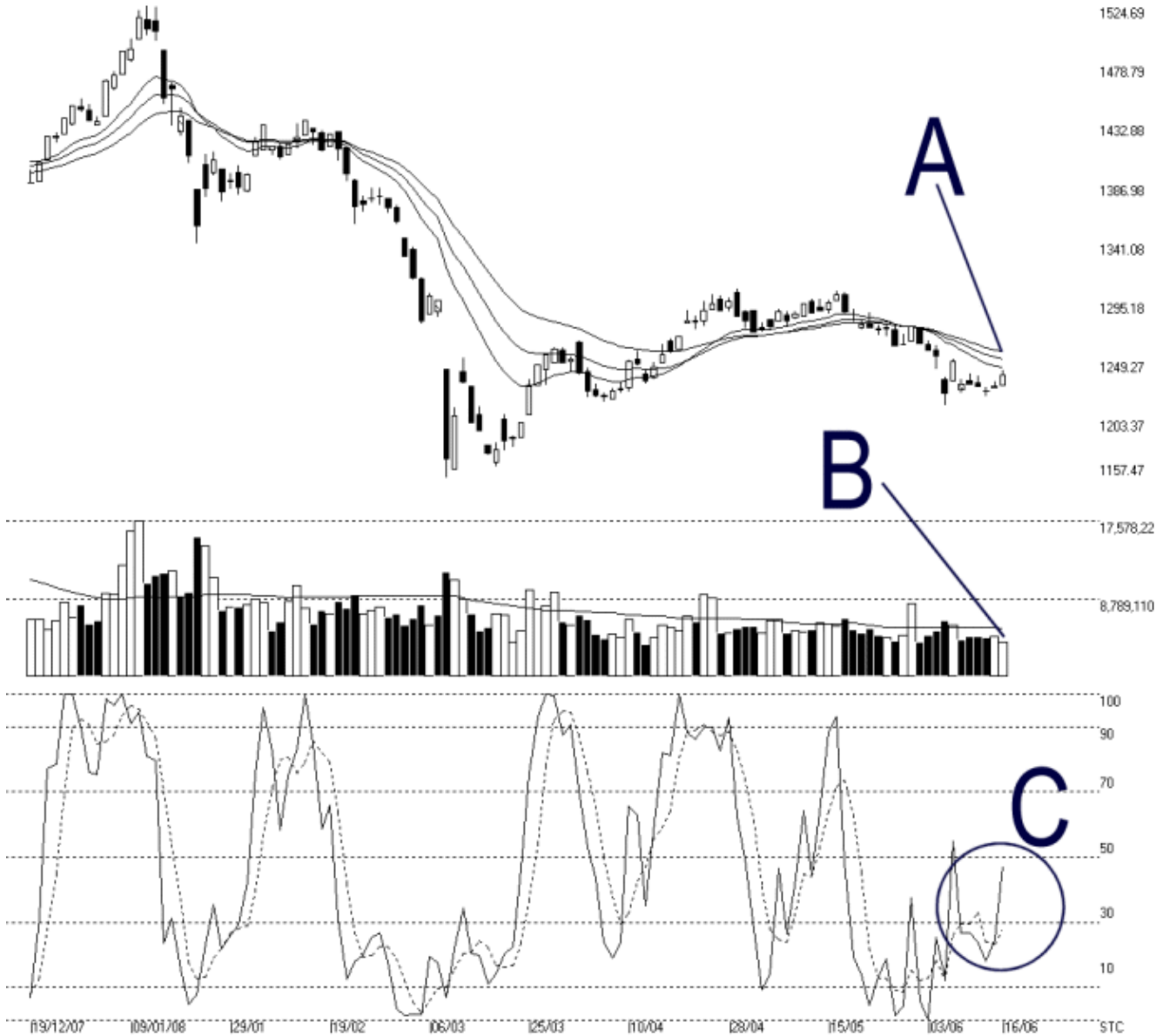




Straits Index (M) Sdn Bhd.
WinChart Technical Analysis
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Open:1230.380 High:1241.590 Low:1230.010 Close:1238.060 +8.710(0.7%) Volume:3,873,193 [-609712,-13.6%]
COMPOSITE INDEX [COMPOSITE] 19/12/2007 - 16/06/2008 Ticks=118 { Indices } Moving Averages e(14,21,31) 1243.881, 1250.387, 1256.207
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Composite Index Daily Technical Analysis, 16/06/2008, by Straits Index (M) Sdn Bhd

On Monday, the KLCI rebounded 8.71 points, closing at 1238.06 points. As indicated by A, the KLCI is still resisted by the falling 14, 21, 31 EMA, which is still the dynamic resistance for the KLCI. If the KLCI should break above the dynamic resistance, there is a better chance for the KLCI to steer away from the bearish biased movement, and the next resistance would be at the 1300 level. However, if the KLCI should retreat again after meeting the dynamic resistance, it proves that the downtrend is still intact.

As indicated by B, total market volume is still below the 40-day VMA level, which suggests that the overall market participation is still low. The low market participation also means a low inflow of fresh capital, thus the KLCI is likely to remain weak, without sufficient participation.

As circled at C, the Stochastic %K line managed to break above the 30% level. If the Stochastic %D line should also break above the 30% level, it would confirm an end of the short term bearish signal, and the KLCI short term movement would be at neutral.

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