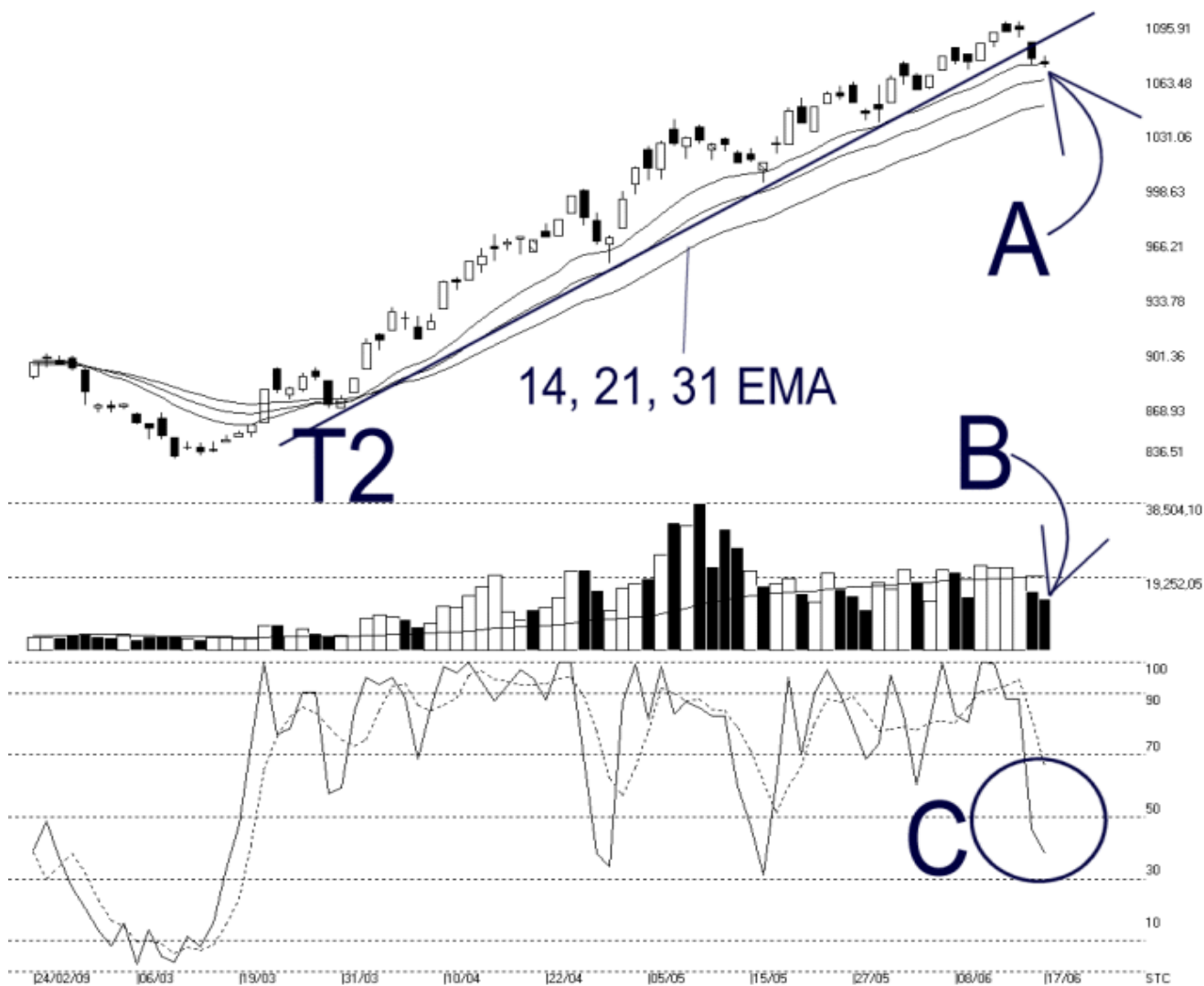




Straits Index (M) Sdn Bhd.
WinChart Technical Analysis
Tel: (03) 8941 6828
Fax: (03) 8941 9828
email: info@straitindex.com



Open:1071.990 High:1075.440 Low:1068.470 Close:1070.900 -3.220(-0.3%) Volume:13,596,829 (-1963326,-12.6%)
COMPOSITE INDEX [COMPOSITE] 24/02/2009 - 17/06/2009 Ticks=80 (Indices) Moving Averages e(14,21,31) 1070.515, 1060.955, 1046.164 - Volume Daily
Created with WinChart (TM) Copyright (C) Straits Index (M) Sdn Bhd



Composite Index Daily Technical Analysis, 17/06/2009, by Straits Index (M) Sdn Bhd

As indicated by A, the KLCI is supported by the 14, 21, 31 EMA, suggesting that the KLCI has not forming a downtrend, while still consolidating. The KLCI fell 3.22 points or 0.3% on Wednesday.

Meanwhile, the Bollinger Bands Width contracted 3%, suggesting that the KLCI is still consolidating. Since the KLCI is already below the Bollinger Middle Band, if the Bollinger Bands Width should expands, with the KLCI below the Bollinger Middle Band, more downside risk is expected for the KLCI.

As indicated by B, total market volume declined 12.6%, and therefore, the volume is still below the 40-day

VMA level. This suggests that the overall inflow of fresh buying is relatively lower. Provided that the volume is still below the 40-day VMA level, the KLCI is expected to stay weak.

As circled at C, the Stochastic continues to fall, breaking below 50%, which suggests that the current movement of the KLCI is still on the weaker side. This is a typical signal as the KLCI is consolidating. If the Stochastic should break below 30% level, the short term movement of the KLCI is expected to turn weaker.

With the KLCI supported by the 14, 21, 31 EMA, the KLCI is not forming a downtrend yet. However, without sufficient inflow of fresh buying interests to offset the selling pressure, the KLCI is less likely to pick up any strength. In other words, provided that the external factors should remain unchanged, the KLCI is expected to consolidate further.

© 2009 Straits Index (M) Sdn Bhd

www.straitsindex.com

WinChart – Designed by investor for investors, since 1998