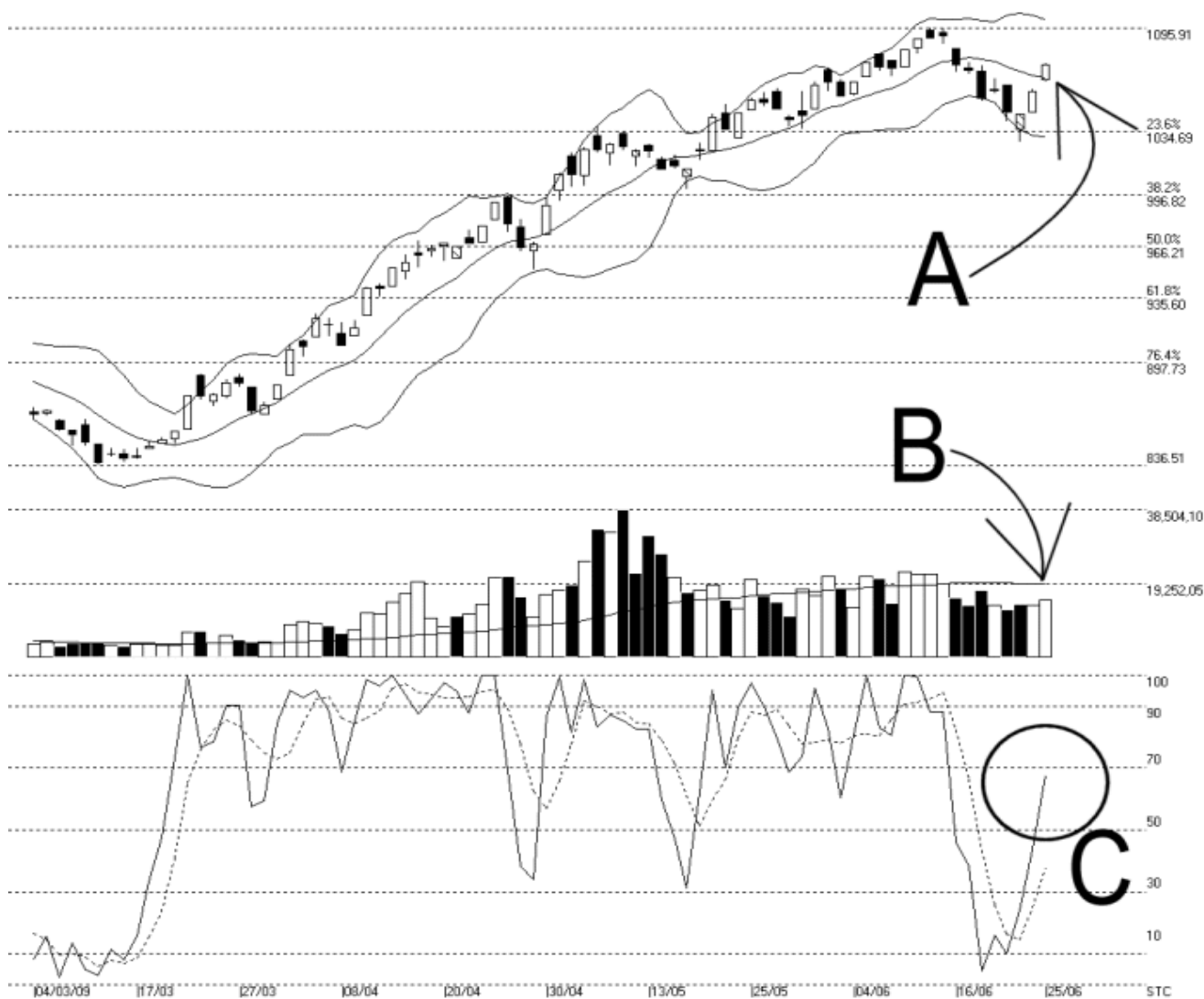




Straits Index (M) Sdn Bhd.
WinChart Technical Analysis
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Open:1064.770 High:1074.560 Low:1064.100 Close:1074.110 +16.260(1.5%) Volume:14,931,032 (+1408159,10.4%)
COMPOSITE INDEX [COMPOSITE] 04/03/2009 - 25/06/2009 Ticks=80 (Indices) Bollinger Band(10,2) -2% - Volume Daily (Fibo)
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Composite Index Daily Technical Analysis, 25/06/2009, by Straits Index (M) Sdn Bhd

As the regional markets are moving higher, the KLCI opened with a gap on Thursday, breaking above the Bollinger Middle Band, closing 16.26 points or 1.5% higher. Support for the KLCI remains at 1035 WinChart Automatic Fibonacci Retracement while the resistance is at 1095.91 WinChart Automatic Fibonacci Retracement.

As indicated by A, the KLCI broke above the Bollinger Middle Band, and if the KLCI should maintain above the Bollinger Middle Band, the immediate outlook for the KLCI would turn positive, but the KLCI would only be moving higher if the Bollinger Bands Width should re-expand. Nevertheless, the Bollinger

Bands Width contracted 2% on Thursday, suggesting that the KLCI movement has not turned bullish biased.

As indicated by B, total market volume increased 10.4%, but still below the 40-day VMA level. This shows that despite the increased of volume, the market participation is still relatively insufficient. Therefore, the inflow of fresh capital is still not substantial to off-set the selling pressure at the 1095.91 level. In short, volume above the 40-day VMA level is an important element if the KLCI should resume its uptrend.

As circled at C, the Stochastic broke above 50% on Thursday, continued its technical rebound signal. If the Stochastic should also break above and remain above 70% level, the market movement for the short term would turn to bullish biased.

After breaking above the Bollinger Middle Band, the next important resistance for the KLCI is now at 1095.91. If the KLCI should failed to break above the 1095.91 level and starts falling, there is a risk for the KLCI in forming a Double Top pattern.

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