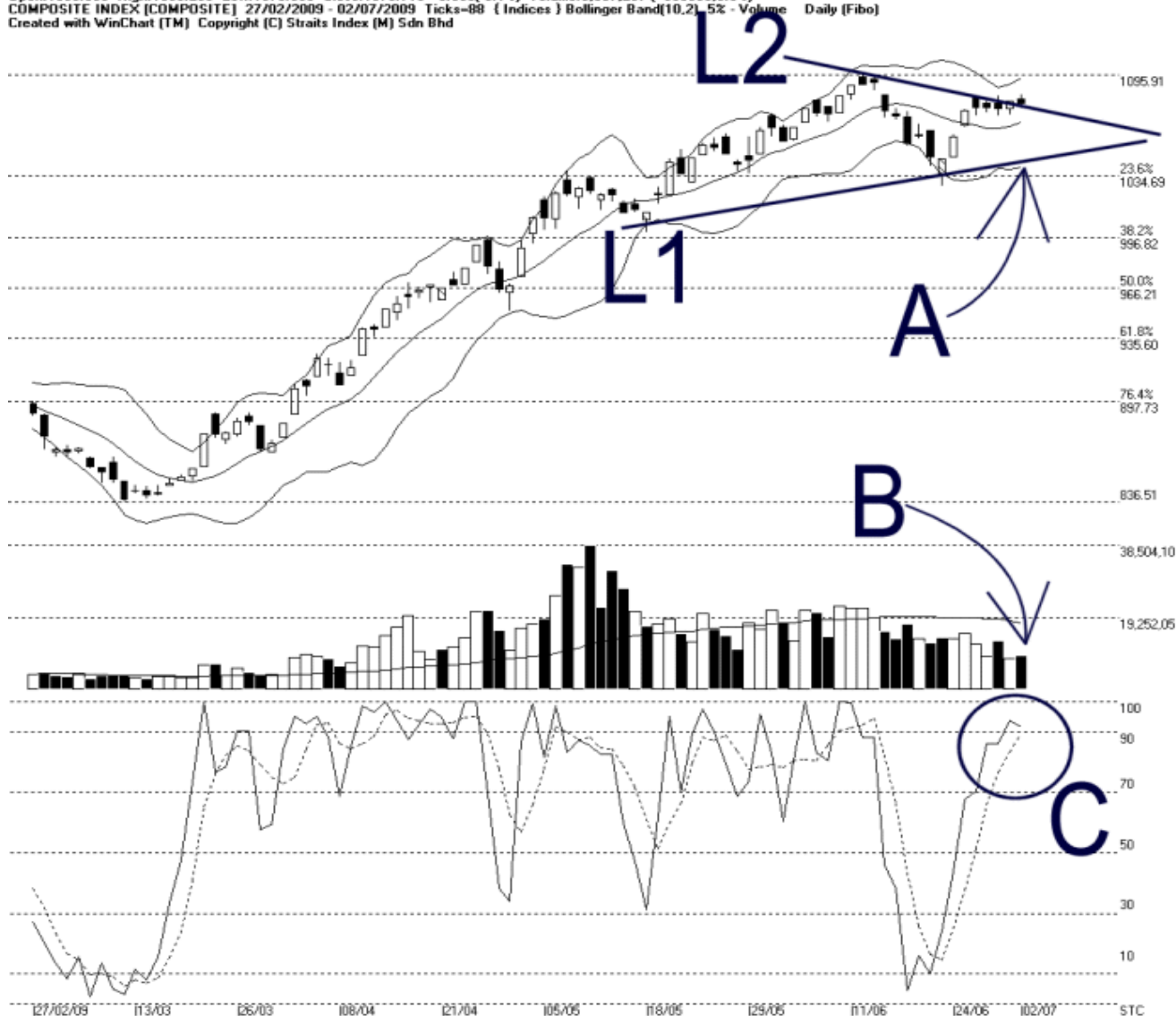




Straits Index (M) Sdn Bhd.  
WinChart Technical Analysis  
Tel: (03) 8941 6828  
Fax: (03) 8941 9828  
email: [info@straitsindex.com](mailto:info@straitsindex.com)



Open:1080.880 High:1083.250 Low:1075.060 Close:1078.710 -0.690(-0.1%) Volume:9,067,207 (+806506.9.8%)  
COMPOSITE INDEX [COMPOSITE] 27/02/2009 - 02/07/2009 Ticks=88 (Indices) Bollinger Band(10,21.5% - Volume Daily (Fibo)  
Created with WinChart (TM) Copyright (C) Straits Index (M) Sdn Bhd



### Composite Index Daily Technical Analysis, 02/07/2009, by Straits Index (M) Sdn Bhd

As shown on the chart above, the KLCI tested the L2 dynamic resistance of the Symmetrical Triangle again on Thursday, but failed to close higher. Therefore, the KLCI consolidation remains intact with its overhead resistance at 1095.91 while the Bollinger Middle Band and the 1035 WinChart Automatic Fibonacci Retracement are the supports.

As indicated by A, the Bollinger Bands Width expanded another 5%, with the KLCI above the Bollinger Middle Band. This suggests some slightly bullish biased signal for the KLCI, but due to insufficient volume, this signal is rather insignificant.

As indicated by B, total market volume increased 9.8% on Thursday, but still further below the 40-day VMA level. This suggests that the overall market participation is still insufficient, as investors are being very cautious as the KLCI direction is still uncertain, while waiting on the sidelines.

As circled at C, the Stochastic remains above 70%, which suggests that the market movement for the short term is not yet weakening. If the Stochastic should break below 70% level, it would be a signal suggesting the KLCI short term movement is weakening.

Despite an attempt to break the L2 line, the KLCI closed at the L2 line, failing to break above the Symmetrical Triangle. Meanwhile, there are 405 losers compared to only 204 gainers, this implies that there are still many counters still having its technical correction, thus the overall selling pressure is still relatively higher. In short, the market need more fresh leads to attract more buying interests to give the KLCI a positive push.

© 2009 Straits Index (M) Sdn Bhd

[www.straitsindex.com](http://www.straitsindex.com)

*WinChart – Designed by investor for investors, since 1998*