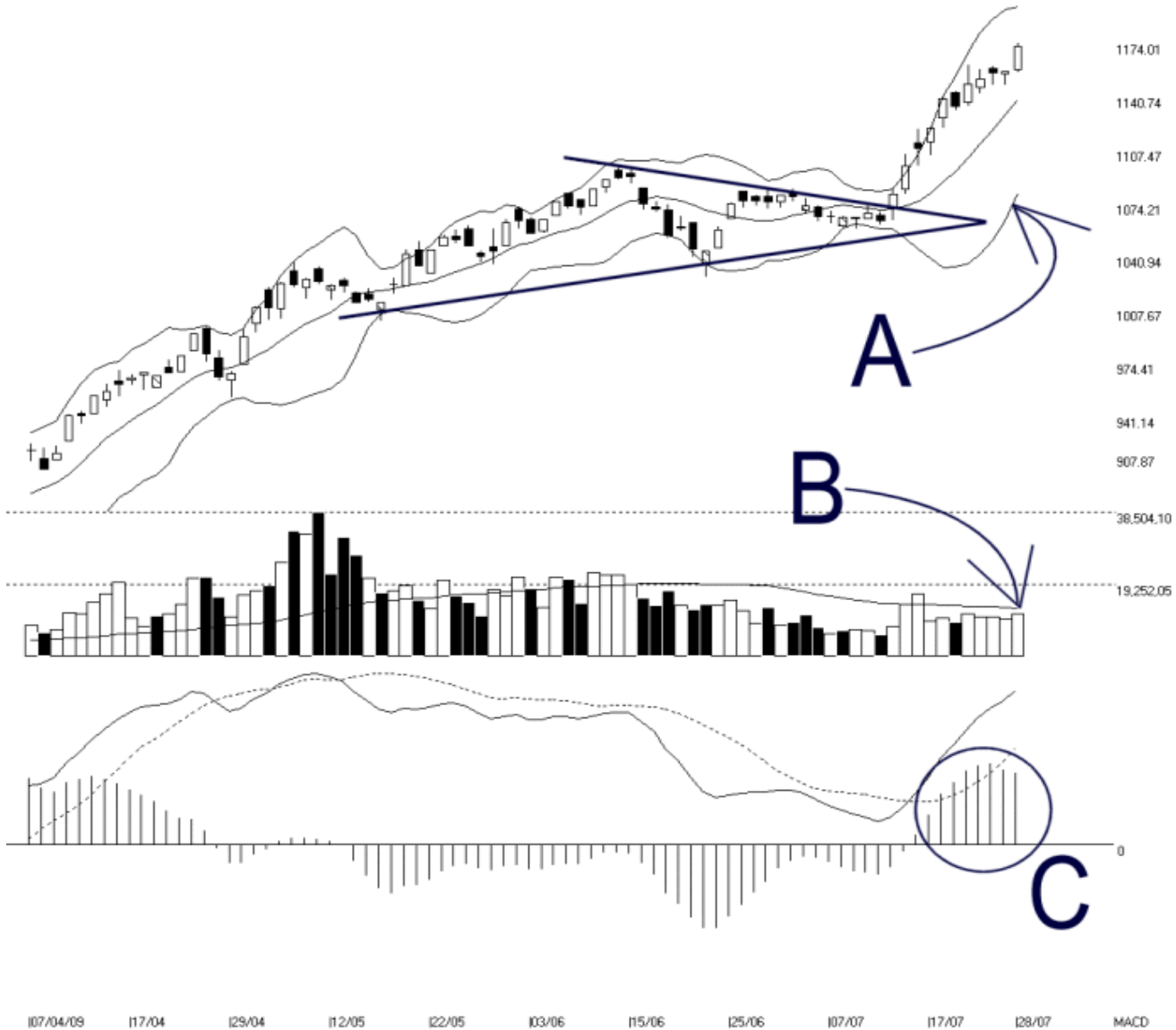




Straits Index (M) Sdn Bhd.
 WinChart Technical Analysis
 Tel: (03) 8941 6828
 Fax: (03) 8941 9828
 email: info@straitsindex.com



Open:1157.830 High:1174.010 Low:1155.890 Close:1172.380 +15.950(1.4%) Volume:11,231,316 (+1358140,13.8%)
 COMPOSITE INDEX [COMPOSITE] 07/04/2009 - 28/07/2009 Ticks=80 (Indices) Bollinger Band(10,2) -11% - Volume Daily
 Created with WinChart (TM) Copyright (C) Straits Index (M) Sdn Bhd



Composite Index Daily Technical Analysis, 28/07/2009, by Straits Index (M) Sdn Bhd

As shown on the chart above, the KLCI broke above the 1163 WinChart Automatic Fibonacci Retracement important resistance, marking yet another new high since 1st of July, 2008. Therefore, the next resistance for the KLCI is seen at 1186 WinChart Automatic Fibonacci Retracement while the 1163 level and the Bollinger Middle Band are the supports for the KLCI.

As indicated by A, the Bollinger Bands contracted 11%, but the KLCI ended higher, suggesting the KLCI is rebounding from its consolidation. With the KLCI above the Bollinger Middle Band, the immediate outlook for the KLCI is bullish biased. If the Bollinger Bands Width should re-expand, with the KLCI remains

above the Bollinger Middle Band, more upside room for the KLCI is expected.

As indicated by B, total market volume increased 13.8%, but still below the 40-day VMA level. Nevertheless, total market volume is getting closer to the 40-day VMA level, as investors are feeling more confident about the market. If volume should reach 40-day VMA level, it would help lifting the market sentiment.

As circled at C, the MACD histogram is still showing a Rounding Top, suggesting the KLCI short term is still in consolidation stage. If the MACD histogram should tick up and form a Rounding Bottom, it would be a signal suggesting the KLCI is resuming its rally.

Although indicators like Bollinger Bands and the MACD histogram are still showing consolidation signal, the KLCI ended higher with volume increased. Provided that the KLCI rally is supported with rising volume, the rally is valid. Ideally, the best confirmation of a bullish movement is to have volume above the 40-day VMA level, meanwhile, the Bollinger Middle Band is still serving as the dynamic support for the KLCI.

© 2009 Straits Index (M) Sdn Bhd

www.straitsindex.com

WinChart – Designed by investor for investors, since 1998