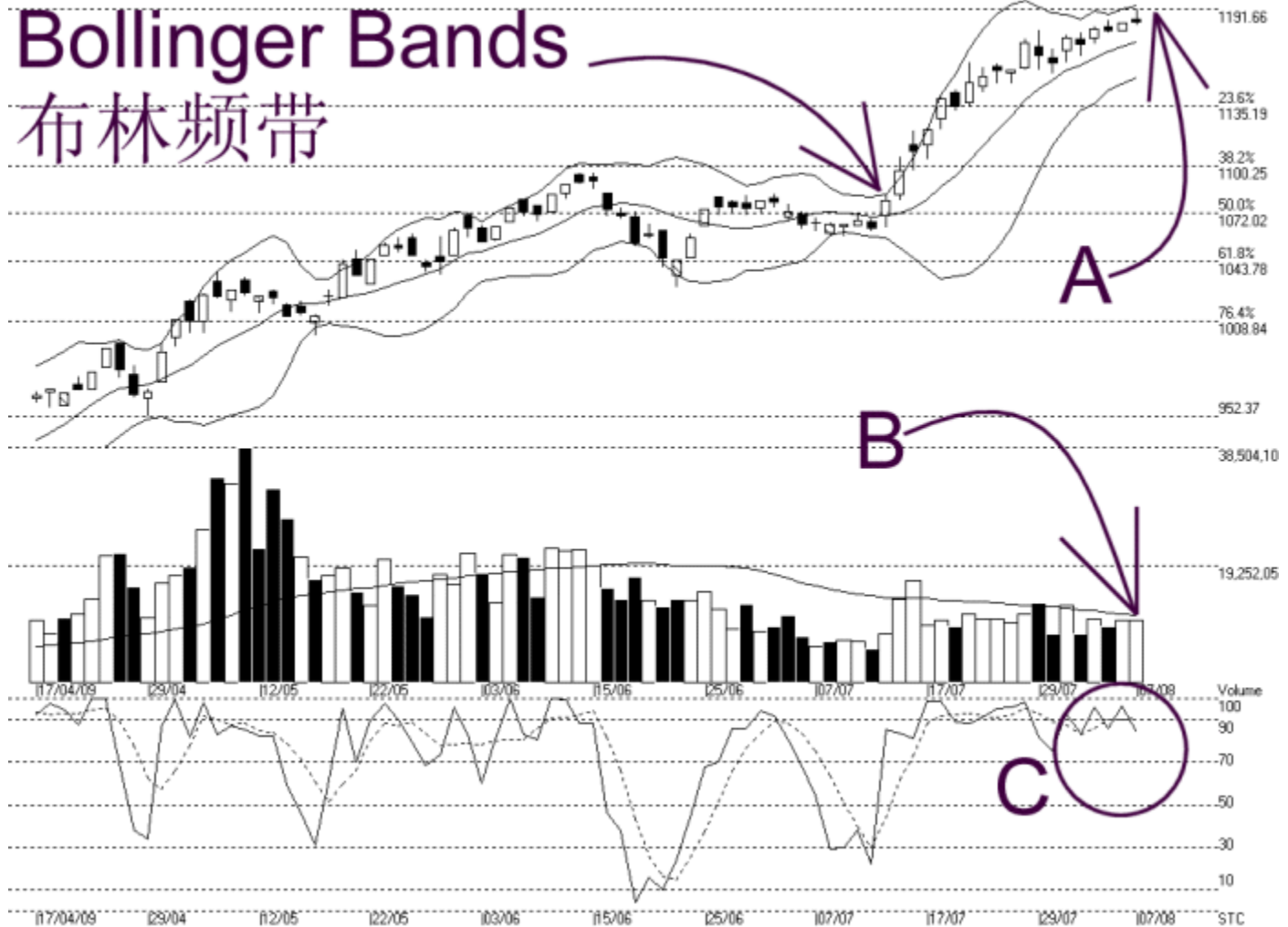


Open:1185.890 High:1191.660 Low:1182.410 Close:1184.880 +0.910(0.1%) Volume:10,141,929 (-110243,-1.1%)
 COMPOSITE INDEX [COMPOSITE] 17/04/2009 - 07/08/2009 Ticks=80 (Indices) Bollinger Band(10,2) -4% -STC(9,3) %K=84.38, %D=90.55 (-6.17) Daily (Fibo) 07-8
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Composite Index Daily Technical Analysis, 07/08/2009, by Straits Index (M) Sdn Bhd

As indicated by A, the FBM KLCI tested the 1186 WinChart Automatic Fibonacci Retracement, but profit taking activities pushed the KLCI back to below 1186, and therefore, the 1186 WinChart Automatic Fibonacci Retracement is still the current resistance for the KLCI while the support is still at 1163 WinChart Automatic Fibonacci Retracement.

As shown on the chart above, the Bollinger Bands Width contracted 4%, suggesting the KLCI is still consolidating, while preparing for a new movement. If the Bollinger Bands Width should re-expand, it would end the consolidation and the KLCI would begin its new movement, but the direction of the new movement shall be determined by the position of the KLCI above or below the Bollinger Middle Band.

As indicated by B, total market volume declined 1.1%, with volume still below the 40-day VMA level. This

shows that the market participation is still relatively low, as investors are being cautious while waiting in the sidelines. Generally, to have a healthy rally, total market volume has to be above 40-day VMA level.

The KLCI has been consolidating with low fluctuation for several days, as suggested by the contraction of the Bollinger Bands. Should the Bollinger Bands Width expand, it would be the best timing for the expansion of the Bollinger Bands Width would suggest the beginning of the new movement. If the KLCI should stay above the Bollinger Middle Band when the Bollinger Bands Width expands, it would be a bullish movement signal, other wise, if the KLCI should stay below the Bollinger Middle Band as it expands, it would be a bearish movement signal.

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