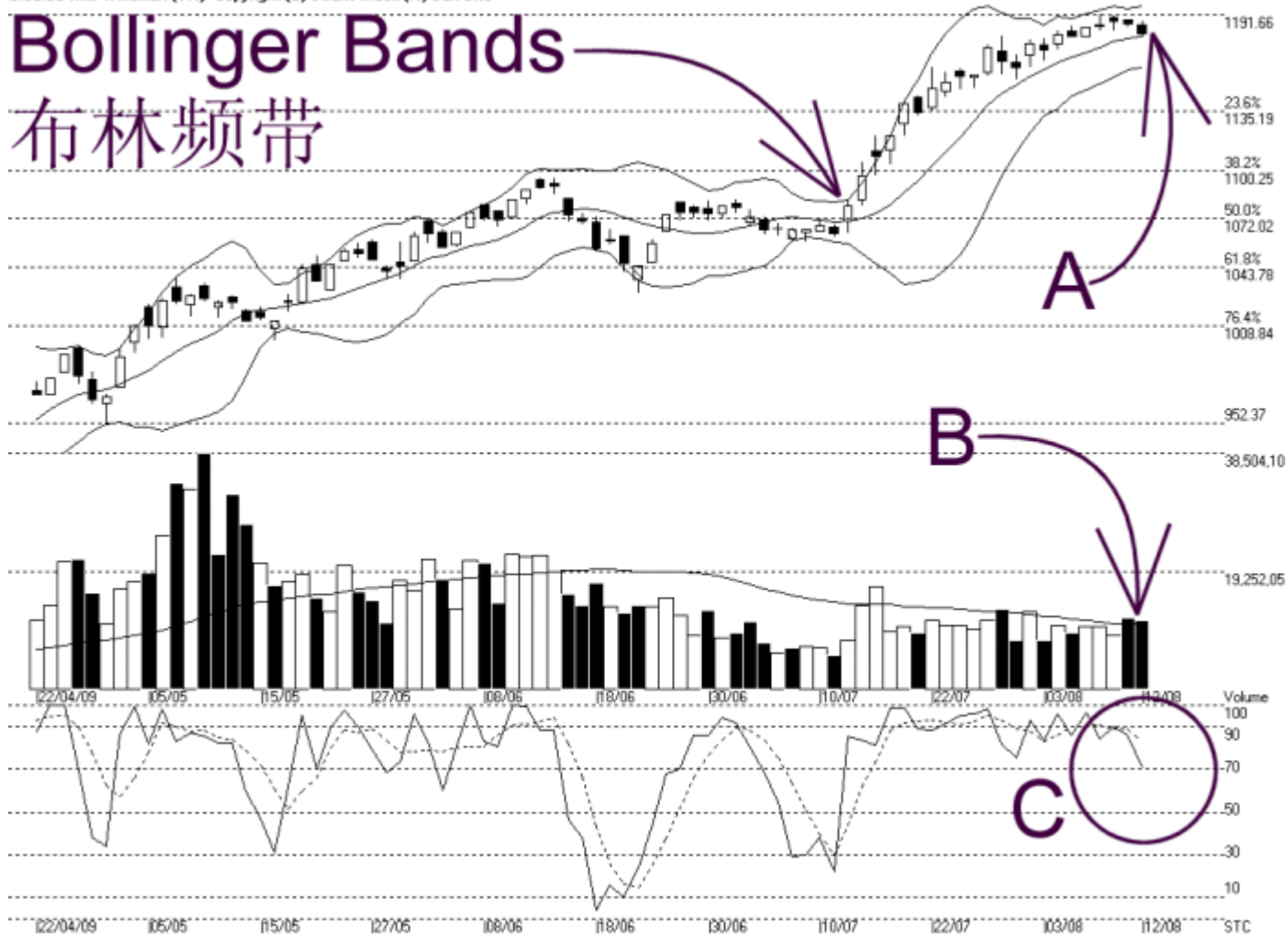


Open:1185.710 High:1187.960 Low:1178.510 Close:1180.540 -5.740(-0.5%) Volume:11,105,562 (-546091,-4.7%)
 COMPOSITE INDEX [COMPOSITE] 22/04/2009 - 12/08/2009 Ticks=80 { Indices } Bollinger Band(10.2) 0% - STC(9.3) %K=70.62, %D=82.84 (-12.21) Daily (Fibo) 12-8
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Composite Index Daily Technical Analysis, 12/08/2009, by Straits Index (M) Sdn Bhd

As indicated by A, the KLCI and the Bourses across the Asian Pacific ended lower, as pulled down by the overnight losses of the Wall Street. Fortunately, the KLCI was precisely supported on Bollinger Middle Band (BMB), therefore, BMB would be the KLCI primary dynamic support line; on the other hand, resistance remains at 1200 pt psychological resistance.

On the technical chart above, the Bollinger Bands is still narrowing, this shows that the KLCI movement is still unclear. However, should the KLCI fall below the BMB, chances for the KLCI to turn stronger will be reduced.

As indicated by B, though KLCI slipped 5.74 pt, volume traded in Bursa Malaysia was still able to maintain above 40 days Volume Moving Average (VMA), this is an indication that some investors choose to take

profit as regional markets are falling, while there are also some investors doing the opposite, to buy on bargain. As the result of this seesawing action, the KLCI outlook remains undetermined.

As indicated by C, the Stochastic declines to 70% level, this indicates that the KLCI short term trend is showing some weakening signs. On the other hand, if the Stochastic should fail to maintain above 70%, the KLCI will be unable to maintain the short term uptrend.

Overall, with the Bollinger Bands still contracting, the KLCI remains in consolidation stage; technically, the KLCI will only move away from the consolidation when the Bollinger Bands begins to expand, and the relative position of KLCI against Bollinger Middle Band will determine the new trend.

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