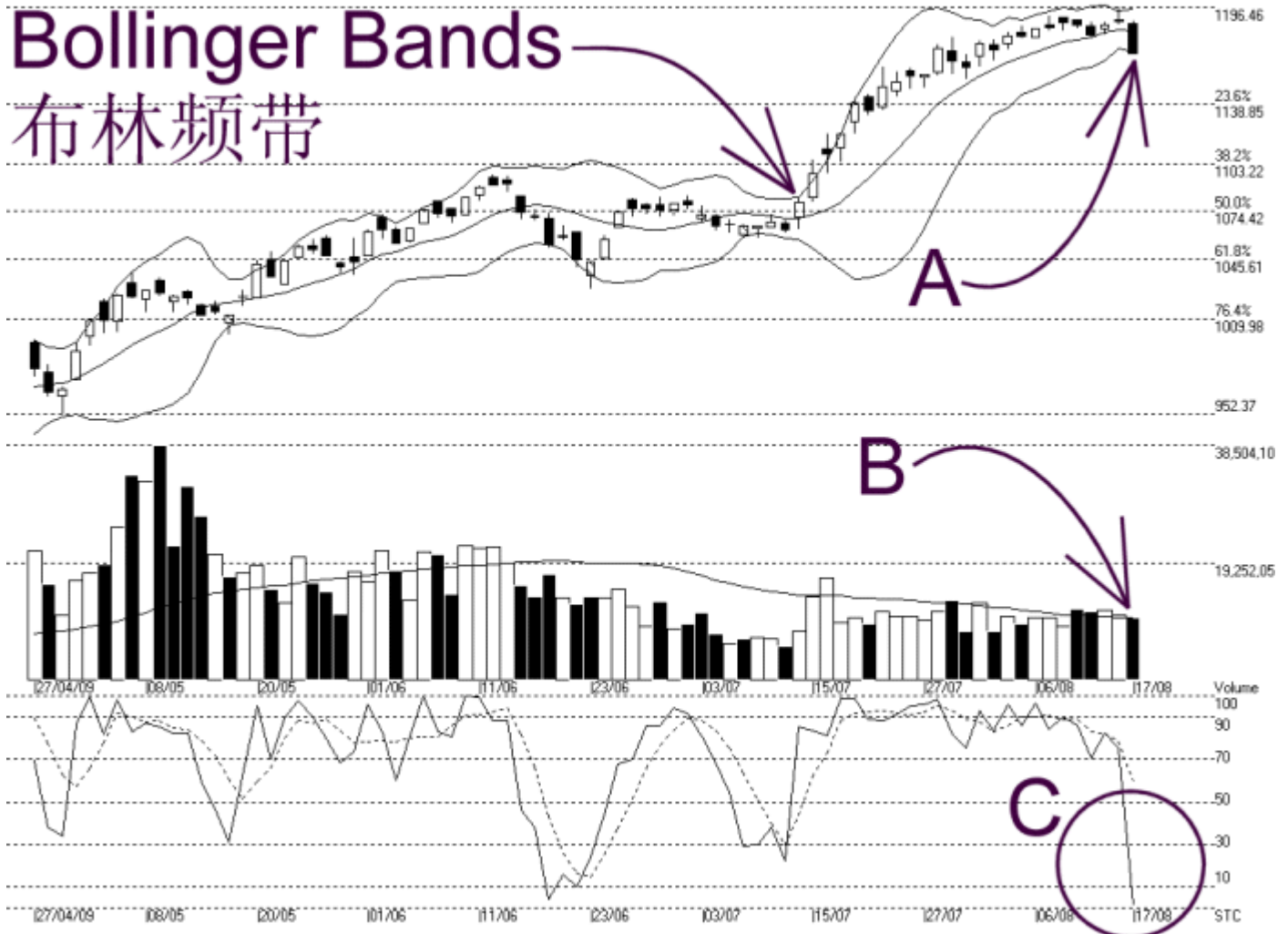


Open:1187.250 High:1188.570 Low:1168.640 Close:1169.050 -19.520(-1.6%) Volume:10,226,665 (-282893,-2.7%)
 COMPOSITE INDEX [COMPOSITE] 27/04/2009 - 17/08/2009 Ticks=80 { Indices } Bollinger Band(10.2) 18% - STC(9.3) %K=1.47, %D=59.7 (-58.23) Daily (Fibo) 17-8:
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FBM Composite Index Daily Technical Analysis, 17/08/2009, by Straits Index (M) Sdn Bhd

As indicated by A, the Bollinger Bands (BB) finally started to widen, unfortunately, the KLCI broke below the Bollinger Middle Band (BMB) today; and therefore, the KLCI had finally break away from the consolidation stage, only to start an all new down trend. In other words, the KLCI would continue on a downtrend, as long as the Bollinger Bands continue to expand.

As shown in the chart, the KLCI breached the support level of WinChart Automatic Fibonacci Retracement (WAFR) at 1186 pt; therefore, 1186 pt had reverted to become a resistance for the KLCI, while the support level of the KLCI is at 1163 WAFR.

As indicated by B, volume traded was downed 2.7%, but managed to stay at the level of 40 days Volume Moving Average (VMA), this means the overall selling pressure is high, but bargain hunting is equally

active. However, should the volume continue to increase substantially, it means the selling pressure remains high, and the KLCI is likely continue on its current downtrend.

As indicated by C, Stochastic fell below 70%, this indicates that the KLCI short term trend is weakening. At the end of the day, the Stochastic was below 30%, and this is the sign of KLCI short term continue to head south, until the Stochastic could rebound and break above the 30%.

The long waited Bollinger Bands widening signal had finally arrived, this means the KLCI would embark a new trend; unfortunately, the KLCI fell below Bollinger Middle Band, and therefore, the KLCI formed a down trend. Normally the KLCI will continue on the current downtrend, until the Bollinger Bands should stop expanding.

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