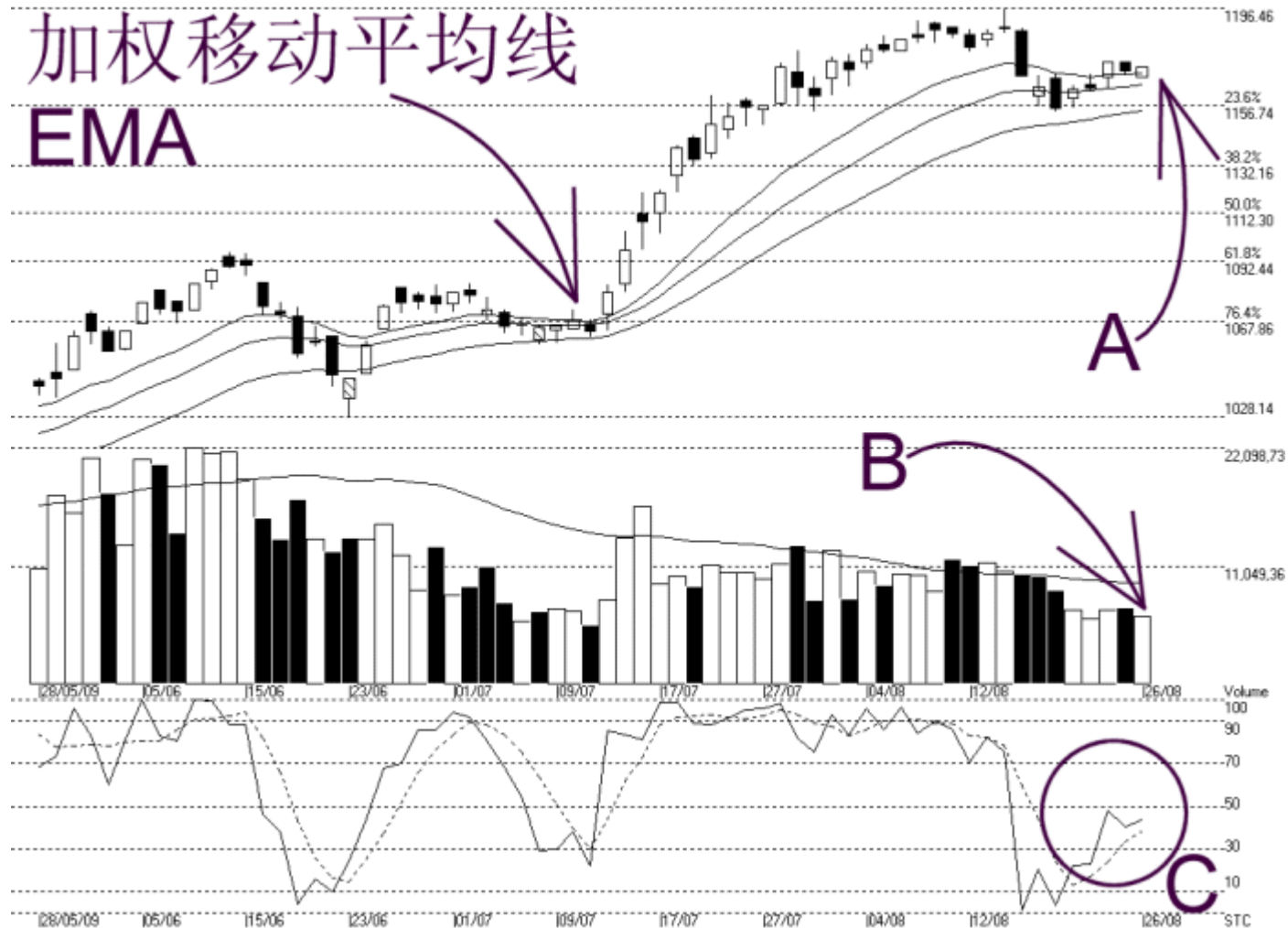


Open:1168.140 High:1172.560 Low:1167.770 Close:1172.560 +1.470(0.1%) Volume:6.362.888 (-729595,-10.3%)
COMPOSITE INDEX (COMPOSITE) 28/05/2009 - 26/08/2009 Ticks=65 (Indices) Moving Averages e(14,21,31) 1169.901, 1165.048, 1154.588 - STC(9,3) %K=43.75, :
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FBM Composite Index Daily Technical Analysis, 26/08/2009, by Straits Index (M) Sdn Bhd

The KLCI closed slightly higher today at 1172.56 pt, with the KLCI resistance remains at 1186 pt WinChart Automatic Fibonacci Retracement (WAFR), while 1163 pt WAFR continue to serve as the support level of the KLCI.

As indicated by arrow A, the KLCI is still supported by 14, 21, 31 days Exponential Moving Average (EMA), this shows that the KLCI mid and long term trend had yet to show any weakening sign. In other words, should the KLCI continue to be supported by the 14, 21, 31 days EMA, the KLCI long term up trend is still intact, despite the short term correction and consolidation.

Volume traded declined another 10.3%, while remain lower than the 40 days Volume Moving Average (VMA), this is due to the quiet market as investors are still waiting some fresh leads. Normally, the volume

will stay below 40 days average when the direction of the KLCI is unclear or during a consolidation.

The Stochastic rebounded slightly as the KLCI closed slightly higher; however, the Stochastic is still hovering below 50% (Refer to circle C), this means that the KLCI short term remains weak. Should the Stochastic break below 30% again, the KLCI will begin a new round of short term down trend. Normally after the Bollinger Bands contracted, the Stochastic needs to break above the 70%, in order for the KLCI to embark on an up trend.

The KLCI continues to consolidate, as a result of contracting Bollinger Bands, and this is a sign that the KLCI is preparing for a new trend. In short, the KLCI short term is on a weak trend; while the mid and long term has not shown any weakness yet. However, should the KLCI break below the 14, 21, 31 EMA, the mid to longer term movement of the KLCI is likely to turn weak.

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