

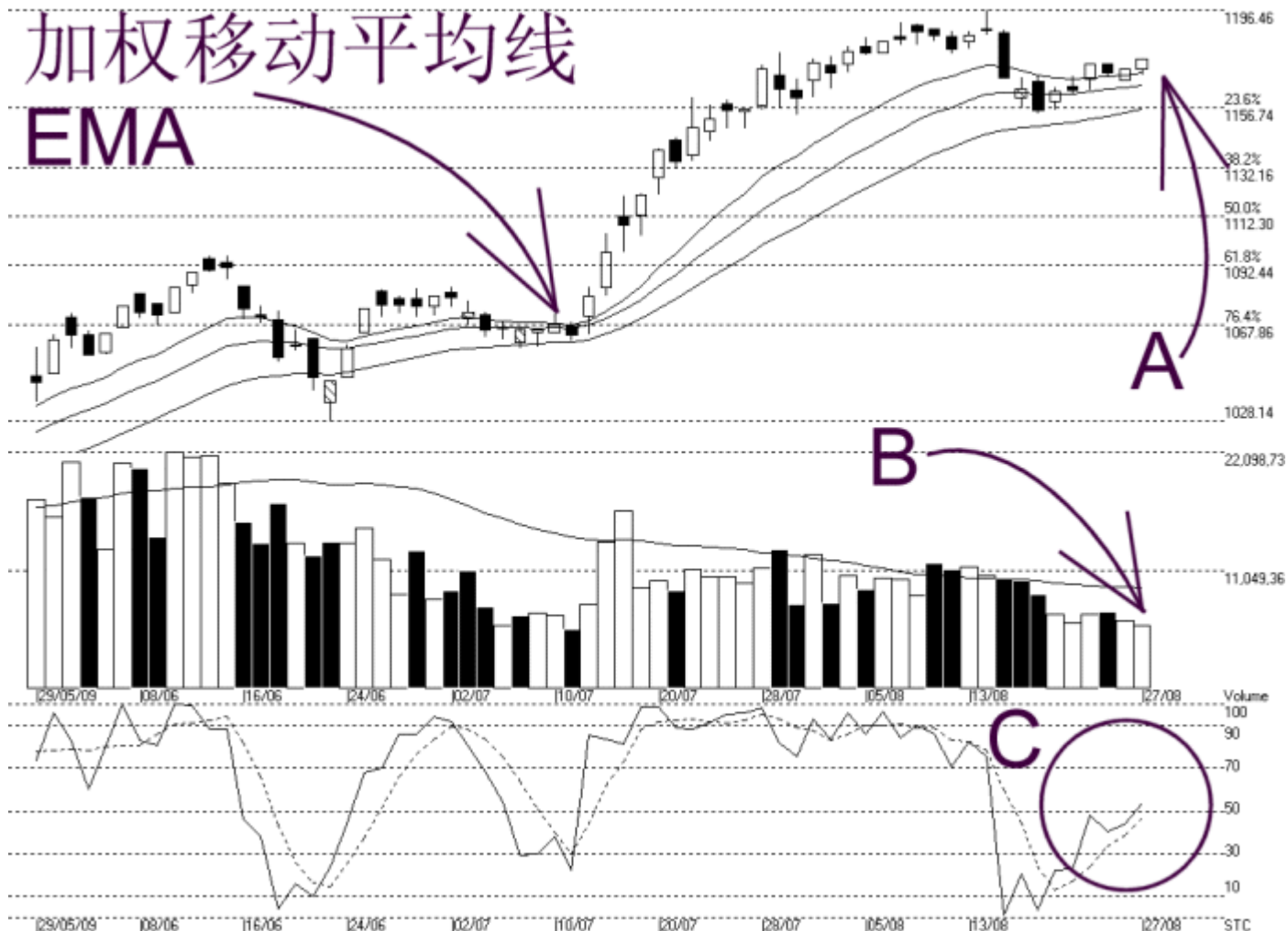


Straits Index (M) Sdn Bhd.
 WinChart Technical Analysis
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Open:1172.580 High:1176.900 Low:1169.800 Close:1176.900 +4.34(0.4%) Volume:5.851.174 (-511714,-8.0%)
 COMPOSITE INDEX [COMPOSITE] 29/05/2009 - 27/08/2009 Ticks=65 (Indices) Moving Averages e[14,21,31] 1170.834, 1166.125, 1155.983 - STC[9,3] %K=53.97 :
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FBM Composite Index Daily Technical Analysis, 27/08/2009, by Straits Index (M) Sdn Bhd

The KLCI gained 4.34 pt to close at 1176.9 pt, as the result of that, the KLCI successfully stands above the 14, 21, 31 days Exponential Moving Average (EMA) as indicated by arrow A. Currently the 14, 21, 31 days EMA remain as the mid and long term support level of the KLCI, and therefore, the KLCI will be able to maintain in a mid and long term up trend, as long as the KLCI is able to hold above these EMA.

Besides the EMA, the Bollinger Middle Band (BMB) had become the Dynamic Support of the KLCI, after the KLCI successfully break above the Bollinger Middle Band. The KLCI is also supported by the 1163 pt WinChart Automatic Fibonacci Retracement (WAFR), while the resistance remain at 1186 pt WAFR.

As indicated by arrow B, despite the KLCI advanced another 0.4%, volume traded declined 8%, while still below the 40 days Volume Moving Average (40-day VMA level); this shows the overall market is still

quiet, and the KLCI remain in a consolidation state.

As circled at C, the Stochastic broke above 50% today, and this is the sign the KLCI short term trend is turning upwards; however, since the Bollinger Bands is remains contracted, the Stochastic need to break above 70%, in order to confirm this short term up trend signal.

All in all, the KLCI is slowly recovering from the downtrend as it finally break above the Bollinger Middle Band; this indicates that the KLCI short term downtrend may come into an end. However, the narrowing Bollinger Bands suggests that this signal has yet to be confirmed, until the Bollinger Bands begins to expand again. On the other hand, the 14, 21, 31 days EMA are important support level of the KLCI, and should the KLCI fall below these EMA, the KLCI mid and long term trend would form a downtrend.

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