

Open:940.650 High:942.140 Low:938.090 Close:940.570 +0.830(0.1%) Volume:8.351.833 (+560909.72%)  
 COMPOSITE INDEX [COMPOSITE] 04/10/2005 - 18/04/2006 Ticks=130 Moving Averages e(14,21,31) - Volume Daily  
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**Composite Index Daily Technical Analysis, 18/04/2006, by Straits Index (M) Sdn Bhd**

On Tuesday, the Composite Index ended mixed, closing slightly higher to 940.57 points. As shown on the chart above, the Composite Index remained in the up trend channel with T2 as the dynamic support and T3 as the dynamic resistance. Mean while, as indicated by A, 14,21,31 EMA remain on the rise, suggested that the Composite Index is still trending up. In addition, 14 days EMA is also serving as a dynamic support to the KLCI. (Study A)

As pointed by B, total market volume on Tuesday stood at 835 million shares, a 7.2% increased from the previous market volume. At the moment, volume remained below the 40 days VMA level suggested that market is still lack of participation. If the KLCI were to advance, a higher market volume above the VMA is the crucial element. (Study B)

As shown by C, the class A bearish divergence remains intact, suggested that the technical correction of the Composite Index is still not ended yet. If WinChart RSI could break above the descending line, it would be the signal to the end of this technical correction. (Study C)