



Straits Index (M) Sdn Bhd.
WinChart Technical Analysis
Tel: (03) 8941 6828
Fax: (03) 8941 9828
email: info@straitsindex.com

Open:927.890 High:928.140 Low:919.370 Close:927.780 -2.110(-0.2%) Volume:4.945.813 (-108246,-2.1%)
COMPOSITE INDEX [COMPOSITE] 01/12/2005 - 31/05/2006 Ticks=120 Bollinger Band(10,2) -16% - Volume Daily
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Composite Index Daily Technical Analysis, 31/05/2006, by Straits Index (M) Sdn Bhd

As shown on the chart above, the Bollinger Band width further contracted another 16%, suggested the KLCI was still consolidating. Mean while, the KLCI remained below the 10 days Bollinger middle band, which is also serving as the dynamic resistance.
At the moment, direction of the KLCI remained unclear, and the consolidation is expected to continue

until an increase of the Bollinger band width. Immediate support for the KLCI is still 926 Fibonacci Retracement and the next support level would be at the 913 followed by the 900 psychological support.

Total market volume on Wednesday decreased 2.1% with only about 494 million shares. Volume remained remotely below the 40 days VMA level, suggested that the market was really lightly participated.(Study B)

Stochastic continued to stay below the 30% bearish region, thus the market sentiment for the short-term is still on the weak side. If the Stochastic were to stay below the 30% level, more downside risk for the KLCI is expected.(Study C)