



Straits Index (M) Sdn Bhd.
WinChart Technical Analysis
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Open:917.040 High:920.580 Low:915.180 Close:915.400 -1.850(-0.2%) Volume:3,420,880 [-1353401,-28.3%]
COMPOSITE INDEX [COMPOSITE] 02/12/2005 - 09/06/2006 Ticks=126 Moving Averages e[14,21,31] - STC[9.3] %K=4.9, %D=19.21 (-14.31) Daily
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Composite Index Daily Technical Analysis, 09/06/2006, by Straits Index (M) Sdn Bhd

On Friday, the KLCI closed at 915.40 points, ended 1.85 points lower. As indicated by arrow A, 14, 21, 31 EMA are still descending, which suggested that the KLCI is still on a down trend. As a result, the multiple-exponential moving averages are serving as the dynamic resistance for the KLCI, and as long as the KLCI is still trading below these EMAs, market outlook would remain bearish. (Study A)

Nevertheless, support for the KLCI still at 913 level while the next support level is seen at the 900 important psychological level.

As indicated by the B circle, Stochastic %D has entered below the 30% level, which confirmed the %K bearish signal. As long as the Stochastic is below the 30% level, market sentiment for the short-term is expected to be bearish. (Study B)

As outlined by C, the MACD histogram ended lower on Friday, suggested that the short-term movement is bearish. Mean while, the round top signal from the histogram remained intact, thus suggested that the bear was gaining strength. The bearish signal would continue until a round bottom signal is seen at the histogram.(Study C)