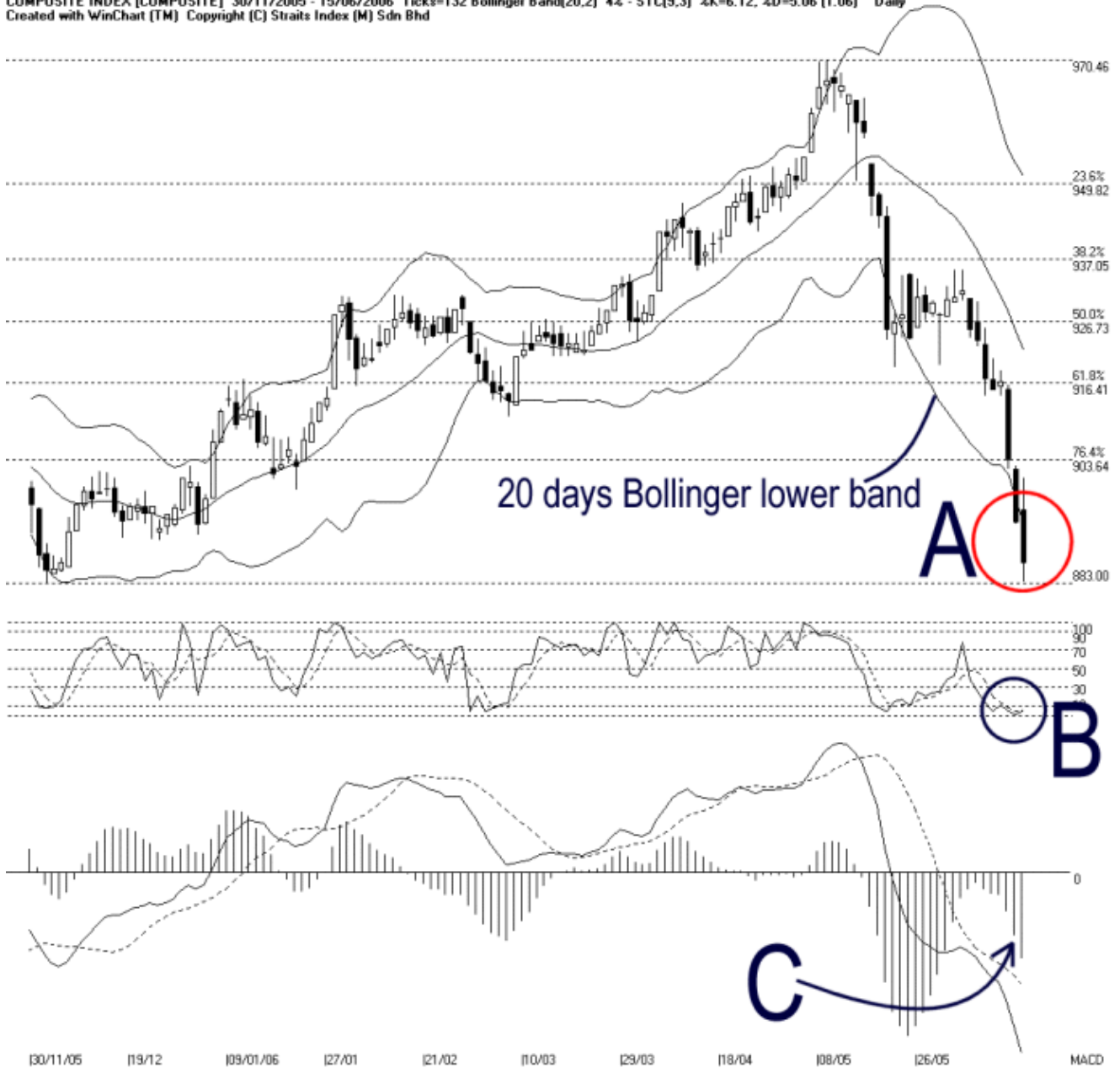




Straits Index (M) Sdn Bhd.  
WinChart Technical Analysis  
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Open:895.290 High:900.550 Low:883.290 Close:886.480 -6.750(-0.8%) Volume:3,035,342 (-210383,-6.5%)  
COMPOSITE INDEX [COMPOSITE] 30/11/2005 - 15/06/2006 Ticks=132 Bollinger Band(20,2) 4% - STC(9,3) %K=6.12, %D=5.06 (1.06) Daily  
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### Composite Index Daily Technical Analysis, 15/06/2006, by Straits Index (M) Sdn Bhd

On Thursday, the KLCI ended lower, losing 6.75 points to 886.48 points. As shown on the chart above, the KLCI had an intra-day low at 883.29 points at the 883 WinChart Automatic Fibonacci Retracement line and rebounded. This suggested that the KLCI is now supported by the 883 Fibonacci Retracement. Mean while, as circled by A, the KLCI broke below the 20 days Bollinger lower band, suggested that

the market was indeed over-sold. Therefore, this will trigger a pull-back effect, thus a technical rebound is likely to take place in the near future. (Study A)

Nevertheless, with the 14, 21, 31 EMA still falling while the KLCI remained below the Bollinger middle band, outlook for the KLCI will remain bearish. The falling EMAs will remain as the dynamic resistance and the bearish movement shall continue until these resistance has been taken out successfully.

Both %K and %D of the Stochastic have entered the short-term over-sold region, (below 10%) suggested that the current market was oversold, and a short-term technical rebound is expected. However, despite the over-sold condition, market sentiment for the short-term will remain bearish in the Stochastic is still below 30% level. (Study B)

As pointed by C, the MACD histogram ticked lower on Thursday, suggested that the bearish was still taking control. At the moment, MACD histogram has not form a round bottom signal, therefore, there is no signal for a technical rebound yet. As long as the MACD line is falling, market outlook for the KLCI will stay bearish. (Study C)