



Straits Index (M) Sdn Bhd.  
 WinChart Technical Analysis  
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Open:906.650 High:907.470 Low:901.570 Close:904.510 -1.830(-0.2%) Volume:5,244,772 (+382299.7.9%)  
 COMPOSITE INDEX [COMPOSITE] 02/03/2006 - 26/06/2006 Ticks=80 Moving Averages e[14,21,31] - Volume Daily  
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**Composite Index Daily Technical Analysis, 26/06/2006, by Straits Index (M) Sdn Bhd**

KLCI pulled back on Monday after breaking above the R1 descending trend line. However, the KLCI managed to rebound from R1, ended the day with a 1.83 lost to 904.51 points. (Study A1) Mean while, 14, 21, 31EMA almost moving flat, suggested that the direction of the KLCI was unclear or at a congestion zone. In addition, the multiple exponential moving are still serving as the dynamic

resistance to the KLCI. (Study A)

Nevertheless, the KLCI was still supported by the 903.86 Fibonacci Retracement, and if the KLCI could maintain its position above the 900 level, chances of breaking above the EMA resistance are higher.

Total market volume on Monday stood at around 524 million shares, a 7.9% higher than the previous trading volume. However, market volume remained below the 40days VMA level, suggested that the market participation was still insufficient. (Study B)

As circled by C, MACD has triggered a bullish signal by crossing above the trigger line on Monday. As a result, the histogram has ticked up higher above the zero level. However, since the KLCI was still resisted by the EMA resistance, the reliability of this bullish signal has slightly reduced. (Study C)