



**Straits Index (M) Sdn Bhd.**  
**WinChart Technical Analysis**  
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Open: 921.500 High: 926.450 Low: 920.760 Close: 925.560 +5.560(0.6%) Volume: 7,943,880 (+1174333.17.3%)  
 COMPOSITE INDEX [COMPOSITE] 15/03/2006 - 07/07/2006 Ticks=80 Moving Averages e[14,21,31] - Volume Daily  
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**Composite Index Daily Technical Analysis, 07/07/2006, by Straits Index 7M) Sdn Bhd**

On Friday, the KLCI retested the 926.88 Fibonacci Retracement resistance; but failed to take out the resistance again. At the close, the KCLI ended 5.56 point higher, staying above 14, 21 31 EMA dynamic support while still in the consolidation. (Study A)Therefore, the KLCI is still in a tight congestion region between the 926.88 Fibonacci Retracement resistance and the 916.59 Fibonacci

Retracement as well as the 14, 21, 31 EMA.

Volume on Friday almost touching the 800 million level, gaining 17.3%. As pointed by B, total market volume on Friday was above the 40 days VMA level, which suggested that the market was relatively well-participated. For the KLCI to break above the 926.88 resistance and perhaps continue its upward momentum, an increase of volume is absolutely important. (Study B)

As shown by the C circle, Stochastic remained above the 70% bullish region, which suggested that the market sentiment for the short-term is still bullish. (Study C)