



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

Open: 928.460 High: 928.890 Low: 924.850 Close: 926.550 -1.680 (-0.2%) Volume: 9,156,607 (-1696234, -15.6%)  
 COMPOSITE INDEX [COMPOSITE] 21/03/2006 - 13/07/2006 Ticks=80 Moving Averages e[14,21,31] - STC(9.3) %K=86.02, %D=89.72 (-3.69) Daily  
 Created with WinChart (TM) Copyright (C) Straits Index (M) Sdn Bhd



**Composite Index Daily Technical Analysis, 13/07/2006, by Straits Index (M) Sdn Bhd**

KLCI pulled back after yesterday's breakout, ended the day 1.68 points lower. As pointed by A, the break out of the 926.88 Fibonacci Retracement is now questionable, and as a result, the KLCI has not convincingly ended its consolidation. (Study A) Nevertheless, the 14, 21, 31 EMA are still rising gradually and serving as the dynamic support, and therefore, market out look is still on the bullish bias.

As circled by B, the %K of Stochastic retreated on Thursday after hitting 100% yesterday. Based on the Stochastic reading, market sentiment for the short-term is still bullish. As long as the Stochastic could remain its position above the 70% level, the short-term bullish sentiment shall continue. (Study B)

Despite the short-term bullishness, MACD histogram still has not formed a round bottom shape, suggested that the consolidation has not ended yet. Nevertheless, no bearish signal has been triggered at the moment and with the MACD line still rising steadily, market outlook is still on the bullish bias. (Study C)