



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

Open:925.490 High:925.890 Low:913.630 Close:913.630 -12.920(-1.4%) Volume:11,620,070 (+2463461,26.9%)
COMPOSITE INDEX [COMPOSITE] 22/03/2006 - 14/07/2006 Ticks=80 Moving Averages e[14,21,31] - RSI(14) 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

As indicated by A, the KLCI fell below the 14, 21, 31 EMA as well as the 916.59 Fibonacci Retracement support on Friday. Generally, the down fall on Friday was too big for a technical correct, and as a result, it has dampen the market sentiment. With the EMA moving flat, market direction is at mixed. Unless the KLCI could return to above the EMA in the near future, or else, the EMA would be

serving as the dynamic resistance and the market outlook would turn to bearish. (Study A)

As circled by B, WinChart RSI lost its position at the bullish region, suggested that the mid-term bullish sentiment has ended. At the moment, market sentiment for the mid-term is at neutral. (Study B)

MACD histogram continued falling on Friday, and the MACD line also started pointing downward. Therefore, this indicated that the market direction might be turning bearish, even though the MACD has not triggered any bearish signal. (Study C)