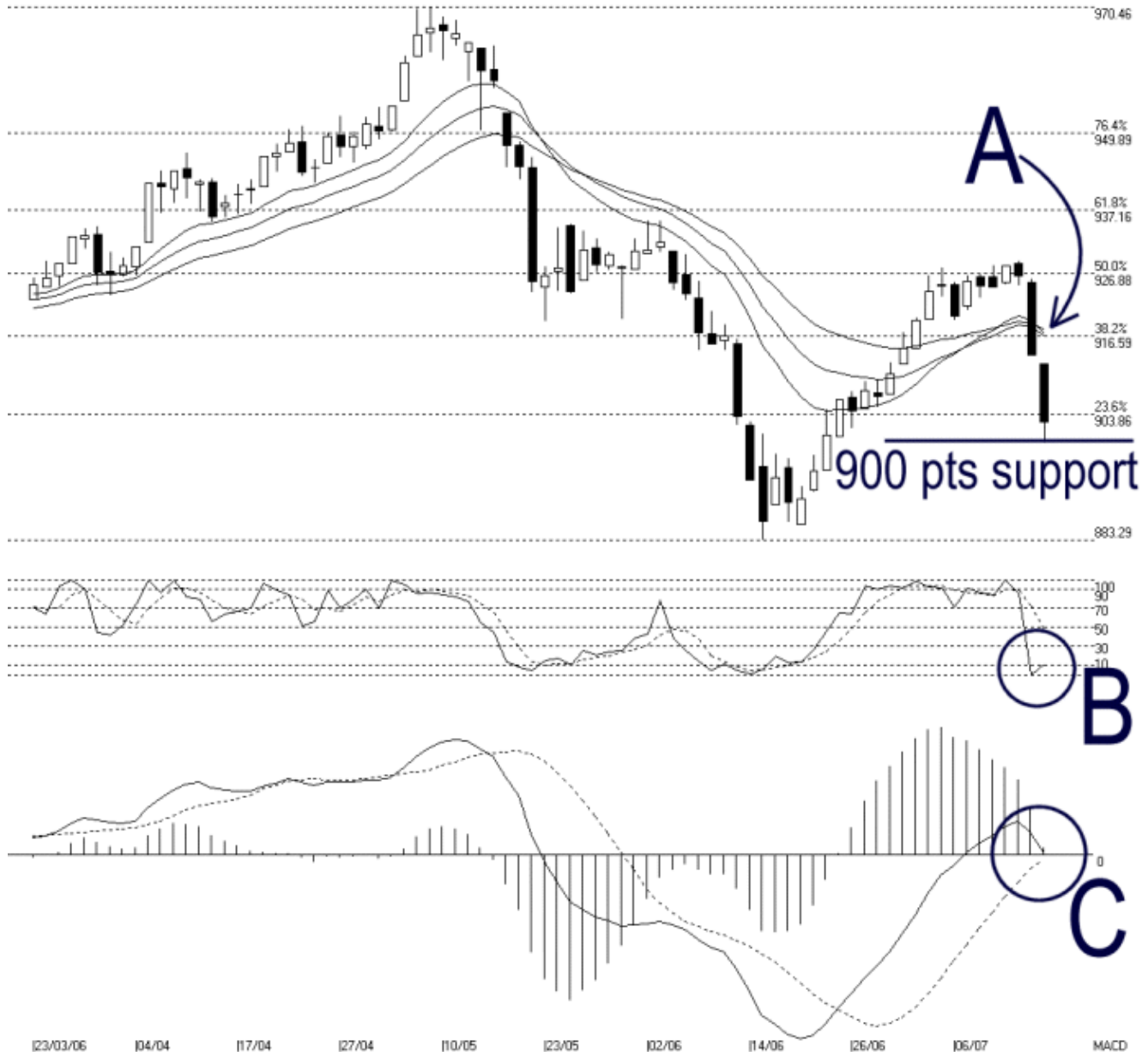




**Straits Index (M) Sdn Bhd.**  
**WinChart Technical Analysis**  
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Open:912.020 High:912.020 Low:899.230 Close:902.700 -10.930(-1.2%) Volume:8,620,935 (-2999133,-25.8%)  
 COMPOSITE INDEX [COMPOSITE] 23/03/2006 - 17/07/2006 Ticks=80 Moving Averages e[14,21,31] - STC[9,3] %K=11.7, %D=47.11 (-35.41) Daily  
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**Composite Index Daily Technical Analysis, 17/07/2006, by Straits Index (M) Sdn Bhd**

After losing support from the 14, 21, 31 EMA, the KLCI continued its downward momentum on Monday with an intra-day low at 899.23 points. As shown on the chart above, the KLCI managed to rebound from the 900 points psychological level and closed the day at 902.7 points. Therefore, 900 points is the immediate support level while the resistance level is at the falling 14, 21, 31 EMA as well

as the 916.59 Fibonacci Retracement. (Study A) With EMAs descending and serving as the dynamic resistance, immediate outlook for the KLCI is bearish bias.

Despite the rebound of the %K line, %K of the Stochastic remained in the short-term bearish region. Mean while, %D line was descending, and if the %D breaks below the 30% level with the %K still remained below the 30% level, the short-term bearish sentiment would continue. (Study B)

MACD was about to cross below the zero level as well as the trigger line. If the MACD line fell below the zero level, it suggests that the market sentiment for the longer term is turning bearish. Nonetheless, MACD histogram continued falling, suggested a weak market movement. (Study C)