



Straits Index (M) Sdn Bhd.
WinChart Technical Analysis
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Open:908.930 High:913.780 Low:908.930 Close:911.980 +3.300(0.4%) Volume:8,851,714 (+587566.71%)
 COMPOSITE INDEX [COMPOSITE] 27/03/2006 - 19/07/2006 Ticks=80 Moving Averages e[14,21,31] - Volume Daily
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Composite Index Daily Technical Analysis, 19/07/2006, by Straits Index (M) Sdn Bhd

KLCI continued its technical rebound on Wednesday, ended the day higher to close at 911.98 points. As shown on the chart above, the KLCI is now testing the descending 14, 21, 31 EMA, which is serving as the dynamic resistance. (Study A) If the KLCI could break above the EMA, the T1 uptrend shall continue. Nevertheless, immediate support for the KLCI is at T1 or the 900 points level, then

followed by the next support at the 883 level.

Total market volume on Wednesday stood at over 885 million shares, which was also higher than the 40 days VMA level. This shows that the market participation was adequate, and generally, if the volume could maintain above the 40 days VMA, market outlook is likely improve. (Study B)

WinChart RSI rebounded from the 50% level, and as of Wednesday's closing, WinChart RSI was situated at the neutral region. With the WinChart RSI gradually rising, it implies a slight bullish bias of the mid-term market sentiment. (Study C) However, break above the EMA resistance is still crucial.