



Straits Index (M) Sdn Bhd.
 WinChart Technical Analysis
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Open:936.400 High:938.890 Low:932.890 Close:934.070 -1.970(-0.2%) Volume:5,651,234 (+341245,6.4%)
 COMPOSITE INDEX [COMPOSITE] 10/04/2006 - 02/08/2006 Ticks=80 Moving Averages e[14,21,31] - RSI(14) Daily
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Composite Index Daily Technical Analysis, 02/08/2006, by Straits Index (M) Sdn Bhd

KLCI continued sideways on Wednesday, ended the day 1.97 points lower to 934.07 points. As pointed by A, the KLCI remained resisted by 937.16 Fibonacci Retracement while the 14, 21, 31 EMA dynamic support is rising gradually. Based on the chart reading, the KLCI is still at a consolidation stage. (Study A)

As shown by the descending line B, WinChart RSI's Class-A bearish divergence remained intact. With the WinChart RSI staying below the descending line, the consolidation or correction shall continue. If the WinChart RSI could break above the descending line, it shall suggest an end to this consolidation . (Study B)

A rounding top shape is still seen in the MACD histogram, suggested that the KLCI is still consolidating. The declining of the histogram also suggested a weakening of the bullish signal and the weakening bullish strength shall continue until a rounding bottom is sighted at the histogram. Nevertheless, at the moment, no bearish signal has been triggered. (Study C)