



**Straits Index (M) Sdn Bhd.**  
**WinChart Technical Analysis**  
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Open:934.340 High:937.420 Low:933.790 Close:935.290 +1.220(0.1%) Volume:5,504,373 (-146861,-2.6%)  
 COMPOSITE INDEX [COMPOSITE] 12/04/2006 - 03/08/2006 Ticks=80 Moving Averages e[14.21,31] - STC(9.3) %K=80.22. %D=85.52 (-5.3) Daily  
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**Composite Index Daily Technical Analysis, 03/08/2006, by Straits Index (M) Sdn Bhd**

As shown on the chart above, the KLCI remained resisted by 937.16 Fibonacci Retracement. (Study A) As a result, the consolidation of the KLCI has not ended. Mean while, the 14, 21, 31 EMA are still rising gradually, and the EMA would be the immediate support level for the KLCI. Next support level would be at T1 up trend line.

As circled by B, Stochastic remained above the 70% region, which is the short-term bullish region. Therefore, the market sentiment for the short-term is still bullish bias. If Stochastic fell below 70% level, it would enter a neutral region. (Study B)

As of Thursday, the MACD histogram was still showing a rounding top. This again suggested a weakening of the bullish signal, which is also the signal of consolidation or technical correction. The consolidation shall continue until a rounding bottom is sighted at the histogram. (Study C)