



**STRAITS
index**

Straits Index (M) Sdn Bhd.
WinChart Technical Analysis
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Open:941.490 High:943.870 Low:940.710 Close:942.610 +0.610(0.1%) Volume:4,357,136 (-194303,-4.3%)
 COMPOSITE INDEX [COMPOSITE] 28/04/2006 - 21/08/2006 Ticks=80 Moving Averages e(14,21,31) - Volume Daily
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Composite Index Daily Technical Analysis, 21/08/2006, by Straits Index (M) Sdn Bhd

KLCI continued its lackluster movement on Monday and ended mixed with only 0.61 of a point. As pointed by A, the KLCI remained supported by the 14 EMA dynamic support. Mean while, the uptrend channel of the T1 and T2 remained intact with T1 being the immediate resistance.

As pointed by B, volume continued to stay low with only around 435 million shares traded, a 4.3% lower than previous total market volume. Volume remained below the 40 days VMA level suggested that the market was indeed lightly participated. (Study B)

As circled by C, Stochastic remained in the neutral region giving no clear indication of the short-term market sentiment. Nevertheless, since the %K is a highly sensitive indicator, and if the %K were to break above the 70% level, it would be the first implication of the short-term bullish signal.