



**Straits Index (M) Sdn Bhd.**  
**WinChart Technical Analysis**  
**Tel: (03) 8941 6828**  
**Fax: (03) 8941 9828**  
**email: [info@straitsindex.com](mailto:info@straitsindex.com)**

Open:948.900 High:951.960 Low:947.990 Close:950.520 +2.390(0.3%) Volume:4,102,762 (+570176.16.1%)  
 COMPOSITE INDEX [COMPOSITE] 05/05/2006 - 25/08/2006 Ticks=80 Moving Averages e[14,21,31] - Volume Daily  
 Created with WinChart (TM) Copyright (C) Straits Index (M) Sdn Bhd



**Composite Index Daily Technical Analysis, 25/08/2006, by Straits Index (M) Sdn Bhd**

KLCI ended higher on Friday, closing marginally above the 950 level. As shown on the chart above, the upper hurdle for the KLCI is now at 957 level. 957 level was the level on the day before the break-away gap took place on the 18/05/06. Nevertheless, 14, 21, 31 EMA remained on the rise and continue serving as the dynamic support to the KLCI. (Study A)

Total market volume continued to stay low on Friday, with only around 410 million shares traded. Volume was also below the 40 days VMA suggested that the market was still lightly participated. (Study B)

WinChart RSI tested the descending line C on Friday's close. At the moment, the Class A bearish divergence is still intact and therefore the KLCI is still have the risk of a technical correction. Nevertheless, if the WinChart RSI could break above the descending line, it would cancel off the divergence signal. (Study C)