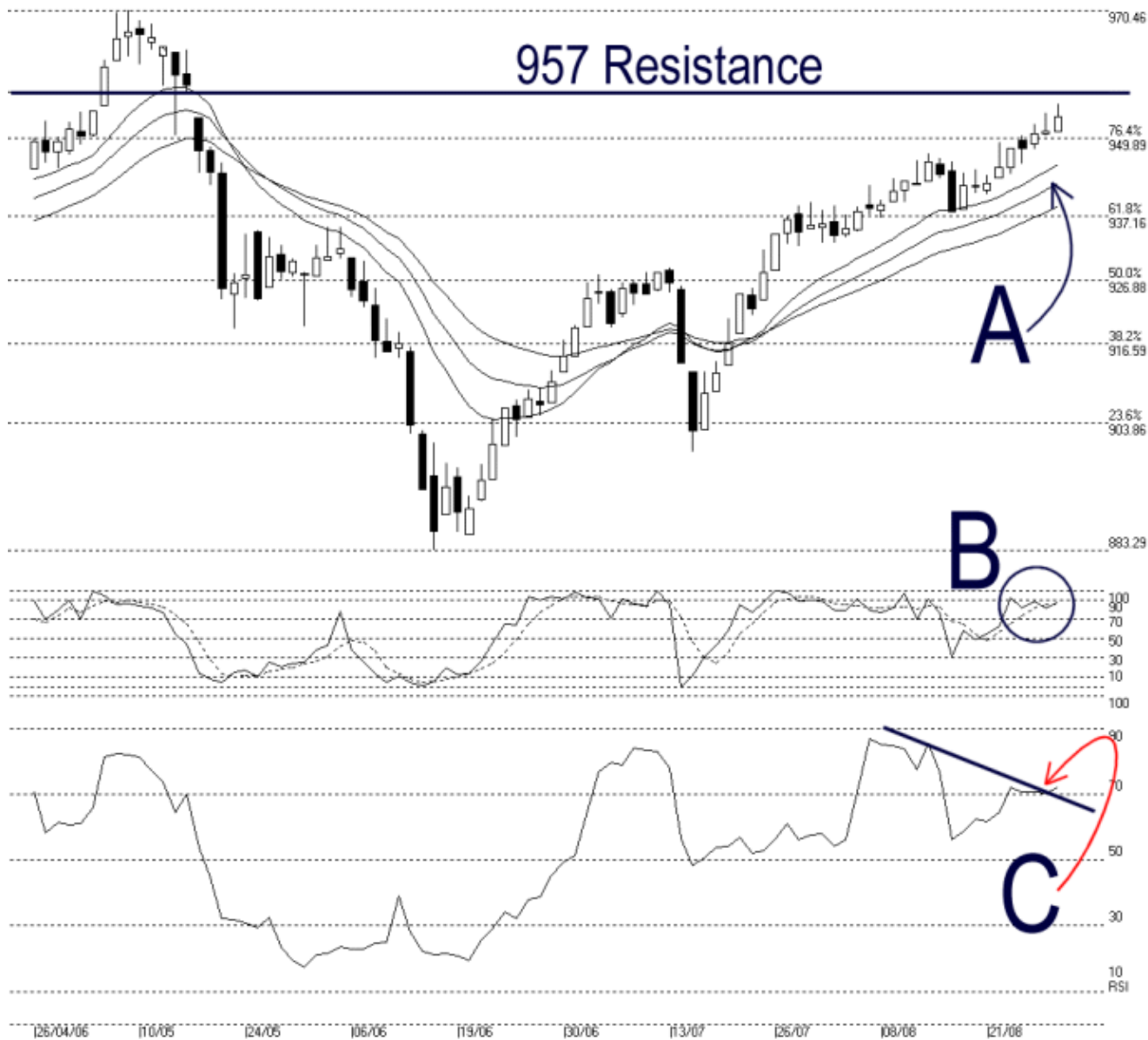




Straits Index (M) Sdn Bhd.
WinChart Technical Analysis
Tel: (03) 8941 6828
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email: info@straitsindex.com

Open:950.930 High:955.200 Low:950.930 Close:953.220 +2.260(0.2%) Volume:4,150,245 (+522520,14.4%)
 COMPOSITE INDEX [COMPOSITE] 26/04/2006 - 29/08/2006 Ticks=88 Moving Averages e[14,21,31] - STC(9.3) %K=88.5, %D=85.82 (2.68) Daily
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Composite Index Daily Technical Analysis, 29/08/2006, by Straits Index (M) Sdn Bhd

As shown on the chart above, the KLCI is heading towards to 957 resistance level. Although total market volume gained 14.4% on Tuesday, volume remained below the 40 days VMA level suggested that the market was still relatively quiet. Therefore, with volume staying thin, breaking the 957 resistance is not going to be easy. (Study A) Nevertheless, the rising 14, 21, 31 EMA shall continue

serving as the dynamic support to the KLCI.

As circled by B, Stochastic situated above the 70% level, which is the short-term bullish region. This suggests that the market sentiment for the short-term is still bullish, and this bullishness shall continue until the Stochastic breaks below the 70% level. (Study B)

As pointed by arrow C, WinChart RSI broke away from the descending line, and canceled out the Class A bearish divergence signal. With WinChart RSI staying marginally above the 70% level, it suggests a bullish mid-term market sentiment and this sentiment shall continue until the WinChart RSI breaks below the 70% level. (Study C)