



**Straits Index (M) Sdn Bhd.**  
**WinChart Technical Analysis**  
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Open:964.250 High:964.890 Low:955.560 Close:956.390 -7.450(-0.8%) Volume:4,158,355 (-411393,-9.0%)  
 COMPOSITE INDEX [COMPOSITE] 04/05/2006 - 06/09/2006 Ticks=88 Bollinger Band(10.2) -10% -RSI(14) Daily  
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**Composite Index Daily Technical Analysis, 06/09/2006, by Straits Index (M) Sdn Bhd**

As indicated by A, the KLCI met the target of the pull-back effect precisely at the 10 days Bollinger middle band dynamic support. Nevertheless, the KLCI is still at a technical correction stage and the next support would be the 950 Fibonacci Retracement while the resistance remained at the 970 Fibonacci Retracement. (Study A) Mean while, 10 days Bollinger Bands width contracted 10%, suggested that the KLCI was consolidating. Consolidation of the KLCI shall continue until an

expansion of the Bollinger Band width.

As circled by B, WinChart RSI fell below the 70% level, suggested that the mid-term bullish sentiment has ended. At the moment, WinChart RSI suggested a neutral market sentiment. (Study B)

As pointed by C, %K of the Stochastic also fell below the 70% level, and suggested that the short-term bullish sentiment has ended. With both short-term and mid-term indicators suggesting a turn to neutral sentiment, coupled with the contraction of the Bollinger Band width, market direction is turning unclear. In other words, the KLCI is now gearing up for the next movement, and the direction of the next move shall reveal when the Bollinger Band width expands.