



Straits Index (M) Sdn Bhd.
WinChart Technical Analysis
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Open:956.330 High:959.060 Low:955.660 Close:956.700 +0.850(0.1%) Volume:3,540,134 (+30719.0.9%)
 COMPOSITE INDEX [COMPOSITE] 08/05/2006 - 08/09/2006 Ticks=88 Moving Averages e[14,21,31] - Volume Daily
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Composite Index Daily Technical Analysis, 08/09/2006, by Straits Index (M) Sdn Bhd

As shown by the arrow A, the KLCI was supported by the 14 day EMA after the pull-back. 14, 21, 31 EMA remained as the dynamic support and provided that the KLCI could stay above this support, the bullish outlook of the KLCI shall remain. (Study A) Nonetheless, immediate resistance is still at the 970 level while next support is seen at the 950 Fibonacci Retracement.

Total market volume on Friday stood at around 350 million shares, almost unchanged from Thursday volume. Clearly, the market volume was still below the 40 days VMA (Volume Moving Average) suggested that the market participation was still relatively low. Nevertheless, a lower volume during a consolidation or correction is usually viewed as normal, but if the KLCI were to re-test the 970 resistance, a stronger volume is needed. (Study B)

Both %K and %D of the Stochastic is showing a neutral signal, suggesting that the market sentiment for the short-term is at neutral. (Study C)