



Straits Index (M) Sdn Bhd.
WinChart Technical Analysis
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Open:968.930 High:969.150 Low:965.610 Close:967.560 -2.110(-0.2%) Volume:4,075,928 (+423951.11.6%)
 COMPOSITE INDEX [COMPOSITE] 13/06/2006 - 03/10/2006 Ticks=80 Moving Averages e[14,21,31] - Volume Daily
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Composite Index Daily Technical Analysis, 03/10/2006, by Straits Index (M) Sdn Bhd

KLCI continued its narrow range consolidation on Tuesday with the 14, 21, 31 EMA continued serving as the dynamic support. (Study A). Therefore, the market movement for the KLCI is still cautiously bullish. Resistance for the KLCI is still at 970.79 Fibonacci Retracement while the lower support for the KLCI is seen at 950.14 Fibonacci Retracement.

Volume remained the most important factor for the KLCI in testing the 970.79 resistance. On Tuesday closing, total market volume stood slightly above 400 million shares, however, still below the 40 days VMA level. This suggested that the market participation was still relatively low. (Study B)

Despite the reluctant involvement of investors, Stochastic managed to stay above the 70% level. This suggested that the market movement for the short-term is still bullish. This short-term bullishness shall continue until the %K line fell below the 70% level, which would be the first signal suggesting an end to the short-term bullishness. (Study C)