



Straits Index (M) Sdn Bhd.
WinChart Technical Analysis
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Open:964.300 High:969.630 Low:964.300 Close:968.890 +4.830(0.5%) Volume:5,691,963 (+1043477.22.4%)
COMPOSITE INDEX [COMPOSITE] 15/06/2006 - 05/10/2006 Ticks=80 Moving Averages e[14,21,31] - Volume Daily
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Composite Index Daily Technical Analysis, 05/10/2006, by Straits Index (M) Sdn Bhd

KLCI rebounded from the 14, 21, 31 EMA dynamic support, ended 4.83 points higher. As pointed by A, the KLCI is likely to test the resistance at 970.79 Fibonacci Retracement again. If the KLCI could break above the 970.79 resistance, the up trend would continue with the 14, 21, 31 EMA continue serving as the dynamic support. (Study A)

As pointed by B, total market volume on Thursday gained 22.4%, with around 569 million shares. Volume managed to break above the 40 days VMA level suggested an increase of market participation. The increase of volume could help the KLCI in breaking the 970.79 resistance, and provided that the volume could remain above the 40 days VMA level, the up trend of the KLCI is likely to continue. (Study B)

As circled by C, %K of the Stochastic broke above the 70% level, entered the short-term bullish region and triggered the 1st short-term bullish signal. If both %K and %D lines could remain their position above the 70% level, the market movement for the short-term is expected to stay bullish. (Study C)