



Straits Index (M) Sdn Bhd.
WinChart Technical Analysis
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Open:978.190 High:979.070 Low:975.300 Close:975.890 -1.340(-0.1%) Volume:5,676,559 (+11112.02%)
 COMPOSITE INDEX [COMPOSITE] 14/06/2006 - 18/10/2006 Ticks=90 Bollinger Band(10.2) -2% -Volume Daily
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Composite Index Daily Technical Analysis, 18/10/2006, by Straits Index (M) Sdn Bhd

KLCI continued the pull back effect on Wednesday, ended the day 1.34 point lower to close at 975.89 points. As pointed by A, the KLCI is temporary supported by the Bollinger middle band, which is usually the target of the pull back effect. If the KLCI could rebound from the Bollinger middle band, it is likely to re-test its immediate resistance at 983.79 Fibonacci Retracement. Mean while, the 14, 21, 31

EMA continued serving as the trailing dynamic support and the 970 is still the important support level.

Total market volume increased .2% while remained above the 40 days VMA level. This suggested that the market participation was relatively active, thus implying that the market in general is sufficiently fueled. Provided the volume could stay above the 40 days VMA, the uptrend of the KLCI is likely to resume. (Study B)

Similar to yesterday's analysis, the Stochastic %K dropped below 70% level while %D remained above 70% level. If the %D fell below 70% level, it would suggest that the market movement for the short-term is at neutral. (Study C)