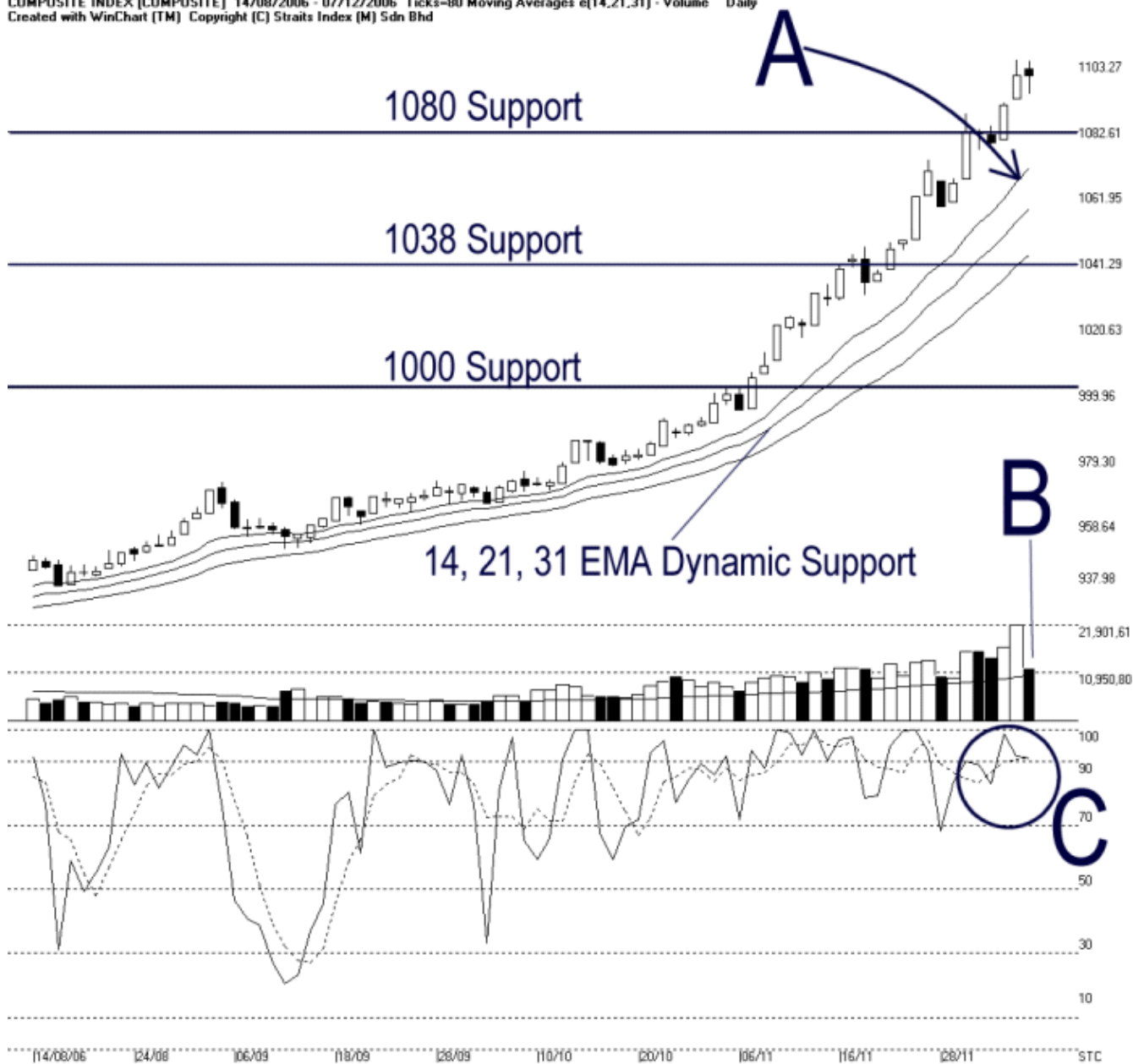




**Straits Index (M) Sdn Bhd.**  
**WinChart Technical Analysis**  
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Open:1100.310 High:1102.790 Low:1092.540 Close:1098.260 -0.090(0.0%) Volume:12,190,974 (-9710634,-44.3%)  
 COMPOSITE INDEX [COMPOSITE] 14/08/2006 - 07/12/2006 Ticks=80 Moving Averages e[14,21,31] - Volume Daily  
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**Composite Index Daily Technical Analysis, 07/12/2006, by Straits Index (M) Sdn Bhd**

The KLCI retreated on Thursday, closing the day mixed at 1098.26 point, down 0.09 of a point. KLCI is likely to enter a consolidation or a technical correction phase, with the rising 14, 21, 31 EMA as the dynamic support. (Study A) If the KLCI could rebound above the rising dynamic support, then the KLCI uptrend might be able to resume. Other supports are seen at 1080, 1038 and 1000 points. touched another multi-year new high at 1103.27 points, while closed at 1098.35 points.

As pointed by B, total market volume ended significantly lower (-44.3%). This suggested that the correction was rather healthy. If the KLCI was to continue its consolidation, expected a lower volume. However, if the KLCI was to rebound and to resume its uptrend, a more significant increase of volume is needed to confirm. (Study B)

Stochastic remained on the higher side, with both %K and %D line still situated slightly above 90% level. Therefore, the KLCI is still at an over-heated condition, thus a technical correction is likely to take place. (Study C)