



Straits Index (M) Sdn Bhd.  
WinChart Technical Analysis  
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Open:1082.250 High:1082.270 Low:1049.880 Close:1060.360 -21.240(-2.0%) Volume:8,933,917 (+137408.16%)  
COMPOSITE INDEX [COMPOSITE] 24/08/2006 - 19/12/2006 Ticks=80 Moving Averages e[14,21,31] - Volume Daily  
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### Composite Index Daily Technical Analysis, 19/12/2006, by Straits Index (M) Sdn Bhd

On Tuesday, the KLCI ended lower, with a daily low touching 1049.88 points, closing at the 31 days EMA level. As pointed by A, the 31days EMA is still serving as the support to the KLCI. However, with the 14 days and the 21 days EMA began falling and getting closer to the 31 days EMA, it suggested that the KLCI is at a congestion zone. Nonetheless, the next support for the KLCI is seen at 1038 level while the immediate resistance is at 1080 level.

Total market volume on Tuesday remained lower with around 893 million shares. As pointed by B, total market volume remained below the 40 days VMA level which suggested that the market participation was still weak. Therefore, the KLCI is likely to stay weak with the weak market sentiment and relatively light participation. (Study B)

WinChart RSI continued declining and nearly touching the 50% level. At the moment, WinChart RSI suggested a mid-term neutral market movement, and therefore, the market direction is still unclear. However, provided that the WinChart RSI is still falling, there is a slight bearish bias to the mid-term movement. (Study C)