



Straits Index (M) Sdn Bhd.  
WinChart Technical Analysis  
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Open:1068.510 High:1076.300 Low:1068.510 Close:1076.300 +15.940(1.5%) Volume:8.213.982 (-719935,-8.1%)  
COMPOSITE INDEX [COMPOSITE] 25/08/2006 - 20/12/2006 Ticks=80 Moving Averages e[14,21,31] - Volume Daily  
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### Composite Index Daily Technical Analysis, 20/12/2006, by Straits Index (M) Sdn Bhd

KLCI technically rebounded on Wednesday, gaining 15.94 points to close at the daily high of 1076.30 points. As circled by A, the KLCI remained situated in the congestion zone with the 14, 21, 31 days EMA are moving closing to each other. This suggested an unclear market direction thus the KLCI is still consolidating. 1080 remained as the immediate resistance while the next support is found at 1038 level.

Total market volume on Wednesday shrunk 8.1%, despite the technical rebound of the KLCI. As pointed by B, total market volume remained below the 40 days VMA level, which implied that the market participation was still relatively low. (Study B)

WinChart RSI rebounded from 50% level on Wednesday, in line with the KLCI. At the moment, WinChart RSI still suggested a mixed or neutral mid-term market movement. Therefore, the KLCI is likely to stay sideways provided that the WinChart RSI is staying flat around the 50% level. (Study C)