



Straits Index (M) Sdn Bhd.
WinChart Technical Analysis
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Open:1079.300 High:1080.490 Low:1073.540 Close:1078.150 -1.570(-0.1%) Volume:4,377,399 (-2956006,-40.3%)
 COMPOSITE INDEX [COMPOSITE] 30/08/2006 - 26/12/2006 Ticks=80 Moving Averages e(14,21,31) - Volume Daily
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Composite Index Daily Technical Analysis, 26/12/2006, by Straits Index (M) Sdn Bhd

KLCI continued its sideways movement on Tuesday, closing mixed at 1078.15 points, down 1.57 points. As pointed by A, the KLCI remained resisted by the 1080 resistance level while still situated in the congestion zone of the 14, 21, 31 EMA. Therefore, this suggested that the KLCI is still consolidating. Mean while, the Bollinger Band width contraction also suggested a consolidation of the KLCI. Nevertheless, immediate supports are found at the 14, 21, 31 EMA while the next support is still

at 1038 level.

Total market volume on Tuesday was 40.3% lower, with only 437 million shares traded. The obvious decline of the volume is partly due to the long festive holiday, thus the market participation was lackluster. With the low market participation, the KLCI is likely to stay sideways. (Study B)

As circled by C, WinChart RSI continued moving sideways at the 50% level. As mentioned earlier, this suggested that the mid-market movement is at neutral and provided that the WinChart RSI is still moving at around 50% level, the sideways movement is expected to continue. (Study C)