



**Straits Index (M) Sdn Bhd.**  
**WinChart Technical Analysis**  
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Open:1213.910 High:1231.000 Low:1213.910 Close:1221.720 +12.380(1.0%) Volume:29,703,784 (+1.506387E+07,102.9%)  
 COMPOSITE INDEX [COMPOSITE] 27/11/2006 - 22/03/2007 Ticks=78 Moving Averages e[14,21,31] - Volume Daily (Fibo)  
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**Composite Index Daily Technical Analysis, 22/03/2007, by Straits Index (M) Sdn Bhd**

With regional markets moving higher, the KLCI closed its gap at 1216-1220 level on Thursday, ended the day at 1221.72 points while its daily high was resisted by 1230 Fibonacci Retracement. If the KLCI could break above the gap successfully, the 14, 21, 31 EMA shall serve as the dynamic support to the KLCI. The immediate resistance for the KLCI is at 1230 Fibonacci Retracement and the next resistance will be at 1285.15 Fibonacci Retracement.

Total market volume rose 102.9% on Thursday, with over 2.97 billion shares traded. The increased of volume also helped the KLCI is testing the resistance at the Gap of 1216 – 1220 level. However, volume must sustain above the 40 days VMA level in order to maintain the bullish movement. (Study B)

WinChart RSI continued rising as the KLCI advanced. At the moment WinChart RSI is still showing a mid-term neutral signal. Nevertheless, based on the current technical reading, if volume persist, the outlook for the KLCI might improve. However, as a precaution, readers are advised to prepare for a false break-out, as it did happen in the year 2000 where the KLCI covered its gap and soon returned to its downtrend.