



Straits Index (M) Sdn Bhd.
WinChart Technical Analysis
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Open:1281.190 High:1281.190 Low:1272.910 Close:1276.090 +1.480(0.1%) Volume:6.239.990 (+1308394.26.5%)
COMPOSITE INDEX [COMPOSITE] 07/01/2008 - 06/05/2008 Ticks=80 { Indices } Bollinger Band(10,2) -13% - Volume Daily (Fibo)
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Composite Index Daily Technical Analysis, 06/05/2008, by Straits Index (M) Sdn Bhd

As indicated by A, the Bollinger Bands Width further contracted another 13% on Tuesday, suggesting that the consolidation of the KLCI continues. Therefore, the market direction is still unclear as the KLCI is consolidating. It is worth paying attention to the Bollinger Bands Width development as the Bollinger Bands Width expands, it would suggest a beginning of a new direction. Nevertheless, resistance for the KLCI is still seen at 1300 while the support is still at 1244 Fibonacci Retirement line.

As indicated by B, total market volume increased 26.5% on Tuesday, while almost breaking above the 40-day VMA level. If the market volume should break above and maintain above the 40-day VMA level, it would suggest that the market participation is sufficient, and the KLCI would have a chance to end this consolidation and test the resistance at 1300 level.

As indicated by C, the MACD histogram is still falling on Tuesday, suggesting that the MACD bullish signal is still weakening, while the MACD line has not broken below the trigger line. If the MACD histogram should form a rounding bottom, it would be a continuation of the MACD bullish signal.

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