

Open:1066.900 High:1075.500 Low:1066.420 Close:1075.500 +11.530(1.1%) Volume:21,043,912 (+8009477.614%)
 COMPOSITE INDEX [COMPOSITE] 12/02/2009 - 05/06/2009 Ticks=80 (Indices) Bollinger Band(10.2) 9% - Volume Daily
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Composite Index Daily Technical Analysis, 05/06/2009, by Straits Index (M) Sdn Bhd

As indicated by A, the Bollinger Bands Width expanded another 9% with the KLCI above the Bollinger Middle Band, therefore, the KLCI continued its upside biased movement, ended the day 11.53 points higher to close at 1075.50 points. If the Bollinger Bands Width should continue to expand, the upside biased movement is expected to continue.

As shown on the chart above, the KLCI is still supported by the T2 uptrend line as well as the Bollinger Middle Band, while resistance is still at 1077 WinChart Automatic Fibonacci Retracement.

As indicated by B, total market volume increased 61.4%, with volume returned to above the 40-day VMA level. This shows that the overall market is well-participated. If volume should remain above the 40-day VMA level, there is a good chance for the KLCI to break above the 1077 level.

As circled at C, the Stochastic continued to climb which staying in the short term bullish territory. Therefore, this shows that the market movement for the short term is still bullish biased.

With the Bollinger Bands Width re-expanding, while the KLCI above the Bollinger Middle Band, the immediate outlook for the KLCI is still bullish biased. Provided that the KLCI is still supported by the T2 uptrend line, and volume is still above the 40-day VMA level, the KLCI is likely to return to its uptrend after its consolidation.

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