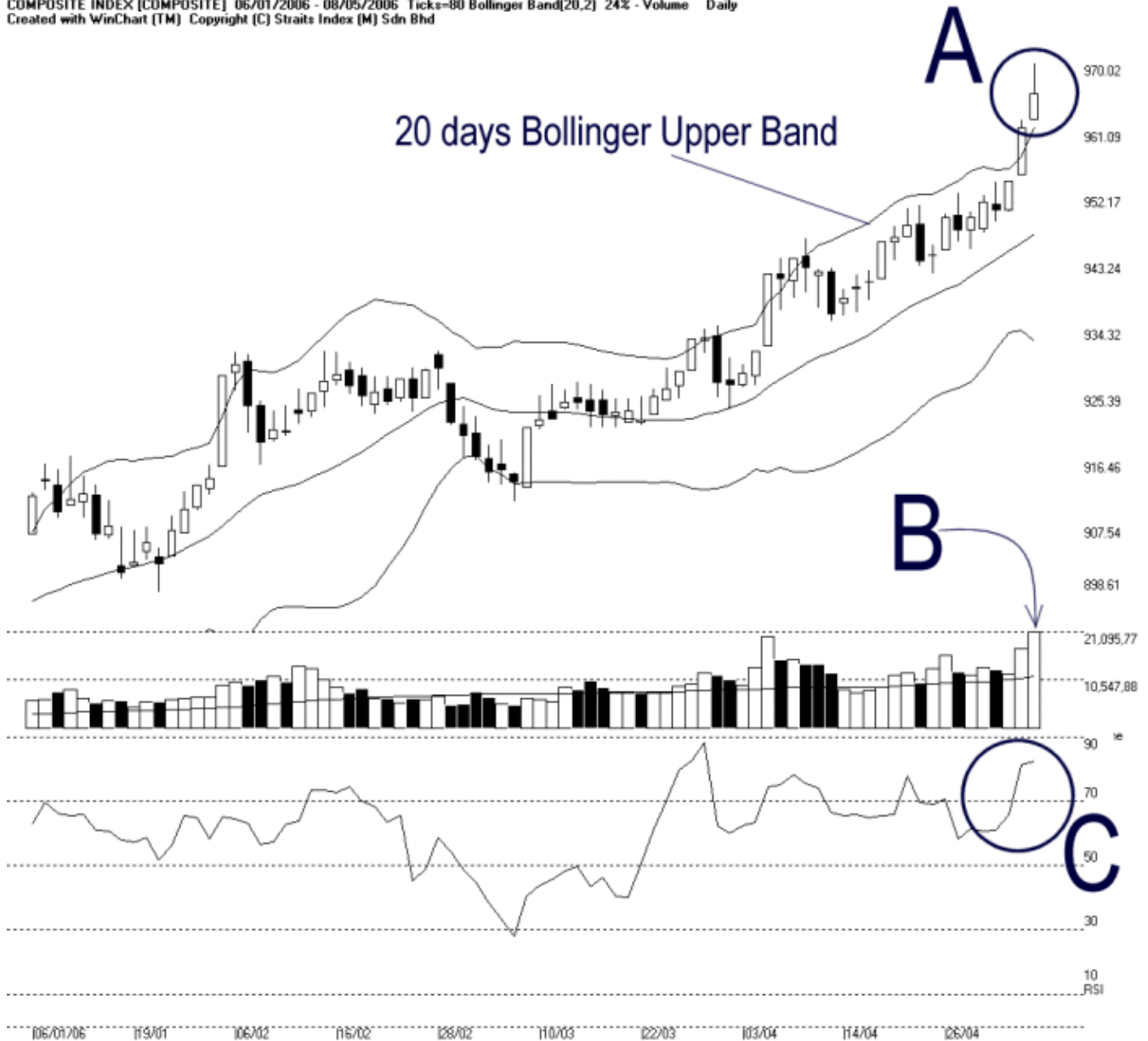




Straits Index (M) Sdn Bhd.
WinChart Technical Analysis
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Open:962.450 High:970.020 Low:962.450 Close:965.900 +4.520(0.5%) Volume:21,095,770 (+3692432,21.2%)
 COMPOSITE INDEX [COMPOSITE] 06/01/2006 - 08/05/2006 Ticks=80 Bollinger Band(20,2) 24% - Volume Daily
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Composite Index Daily Technical Analysis, 08/05/2006, by Straits Index (M) Sdn Bhd

On Monday, 8th of May, 2006, the Composite Index closed higher, gaining 4.52 points to 965.9 points. However, as indicated by the A circle, the KLCI candle was entirely away and above the 20 days Bollinger Upper Band, which signaled an over-heated condition. Mean while, the half-length upper

shadow of the Monday's candle also suggested some selling pressure around the 970 level. Therefore, the sentiment for the KLCI in the short-term is now over-heated, and a pull-back effect is expected to take place in the near future. (Study A)

Nevertheless, immediate resistance for the Composite Index is now seen at 970 while the support remained at 954 level.

As pointed by B, the total market volume has broken another all time high record, with around 2.109 billion shares, a 21.2% higher than last Friday's volume. However, coupled with the long upper shadow line of the KLCI's candle, the high volume on Monday actually suggested some selling pressure or profit taking activities. Therefore, a temporary correction is likely to happen. (Study B)

Despite the over-heated market condition, the WinChart RSI remained above the 70% level, which is the bullish region. Therefore, as long as the WinChart RSI could maintain its position above the 70% level, market sentiment would still be bullish. (Study C)