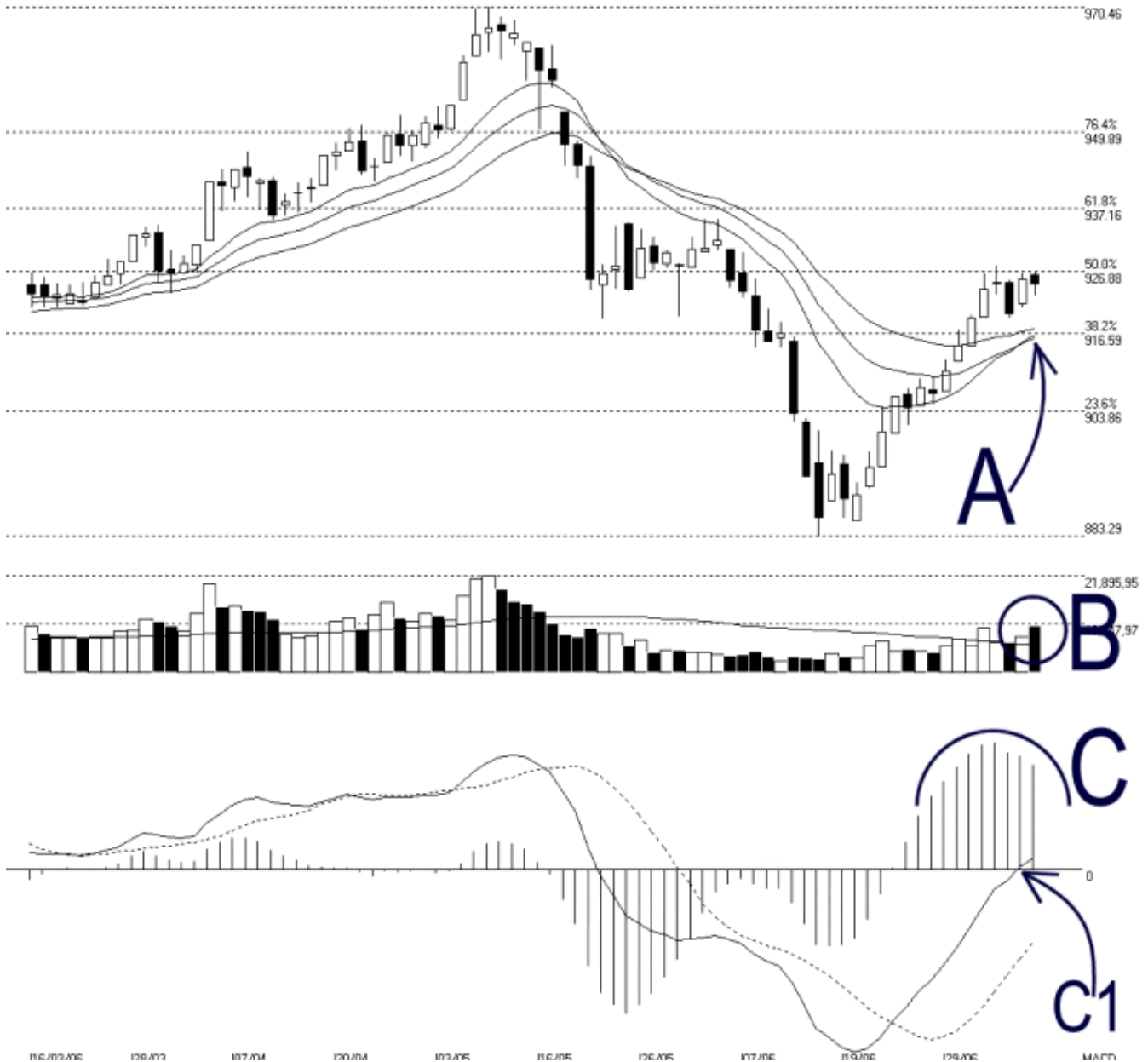




Straits Index (M) Sdn Bhd.
WinChart Technical Analysis
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Open: 926.370 High: 926.780 Low: 922.850 Close: 924.860 -0.700(-0.1%) Volume: 10,638,040 (+2694158.33.9%)
COMPOSITE INDEX [COMPOSITE] 16/03/2006 - 10/07/2006 Ticks=80 Moving Averages e[14,21,31] - Volume Daily
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Composite Index Daily Technical Analysis, 10/07/2006, by Straits Index (M) Sdn Bhd

As shown on the chart above, the KLCI again was resisted by the 926.88 Fibonacci Retracement on Monday. Mean while, as pointed by A, 14, 21, 31 EMA continued serving as the dynamic support which happened to be at the 916.59 Fibonacci Retracement as well. As the moment, the KLCI remained in a congestion zone between the 916.59 and 926.88 Fibonacci Retracement, thus market

direction is still unclear. Nevertheless, with the KLCI being supported by the EMA, market outlook for the KLCI is at neutral with a slight bullish bias. (Study A)

Total market volume on Monday reached over 1 billion shares. Volume also managed to break above the 40 days VMA level suggested that the market participation was indeed active. If the volume could remain firmly above the VMA, the KLCI is likely to take out the immediate over-head resistance. (Study B)

With the KLCI moving sideways in the congestion region, the MACD histogram ended lower, thus the round top signal remained. This suggested that the market is still consolidating in the short-term until a round bottom signal is sighted. Mean while, as pointed by C1, the MACD line has breached above the zero level while still staying above the trigger line. Therefore, at the moment, no bearish signal has been triggered. (Study C)