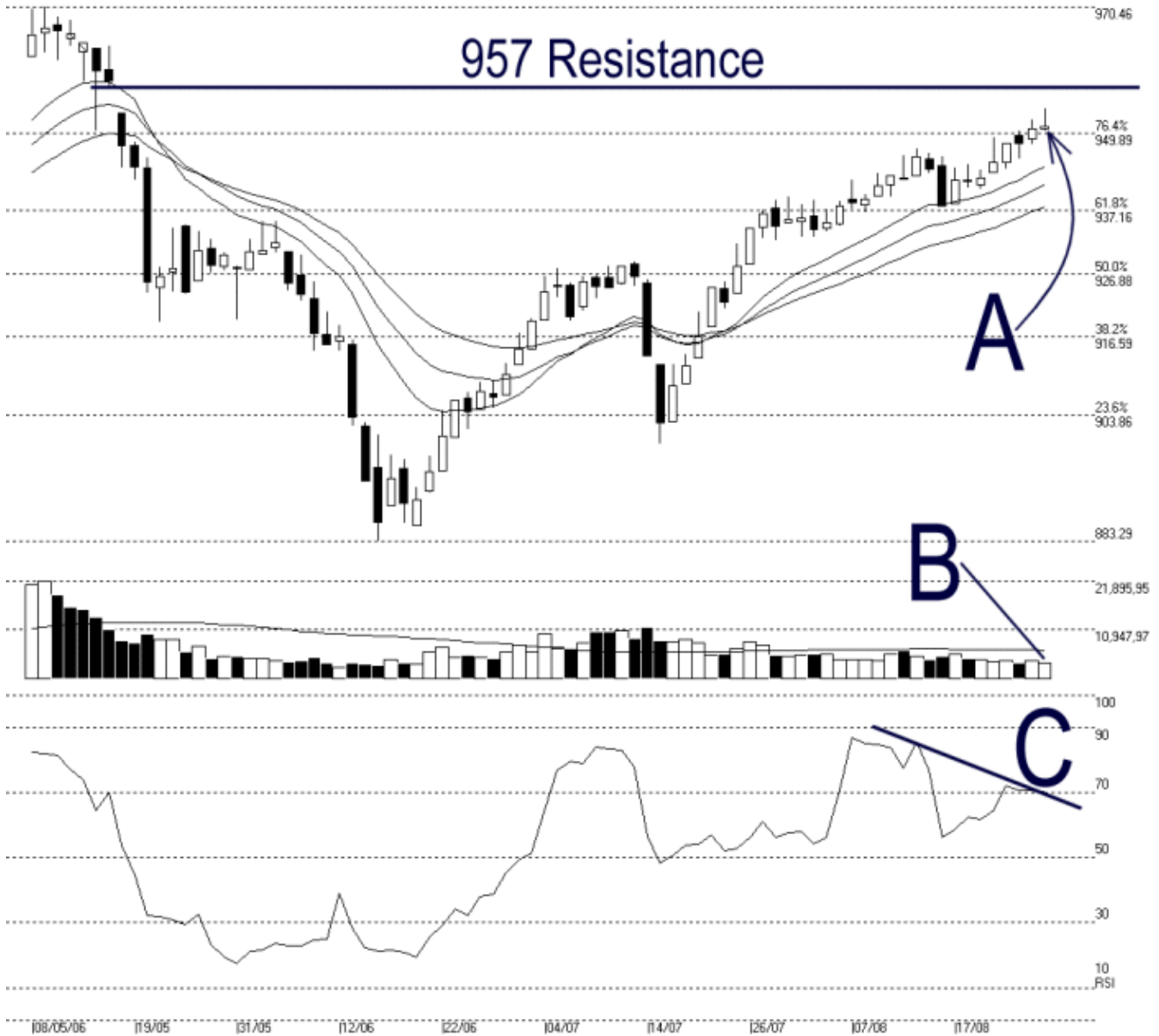




Straits Index (M) Sdn Bhd.
WinChart Technical Analysis
 Tel: (03) 8941 6828
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Open:950.610 High:953.830 Low:950.210 Close:950.960 +0.440(0.0%) Volume:3,627,725 (-475037,-11.6%)
 COMPOSITE INDEX [COMPOSITE] 08/05/2006 - 28/08/2006 Ticks=80 Moving Averages e[14,21,31] - Volume Daily
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Composite Index Daily Technical Analysis, 25/08/2006, by Straits Index (M) Sdn Bhd

Despite the early in the morning session, the KLCI closed mixed, gaining only 0.44 of a point. As shown on the chart above, the KLCI remained above the 950 Fibonacci Retracement while the rising 14, 21, 31 EMA still continue serving as the dynamic support. Resistance is now at the 957 level. (Study A)

The KLCI had again ended marginally higher with lower volume. On Monday, the total market volume was only about 362 million shares, which was another 11.6% lower than the previous trading day. Despite the expansion of the Bollinger Bands signal, the low volume has not given any confirmation to the bullish signal. (Study B)

The descending line at the WinChart RSI remained intact, and therefore, the class A bearish divergence signal is still in place. As a result, WinChart RSI has given an early warning signal of a possible technical correction of the KLCI unless the WinChart RSI could break above the descending line, which would then cancel the divergence signal. (Study C)