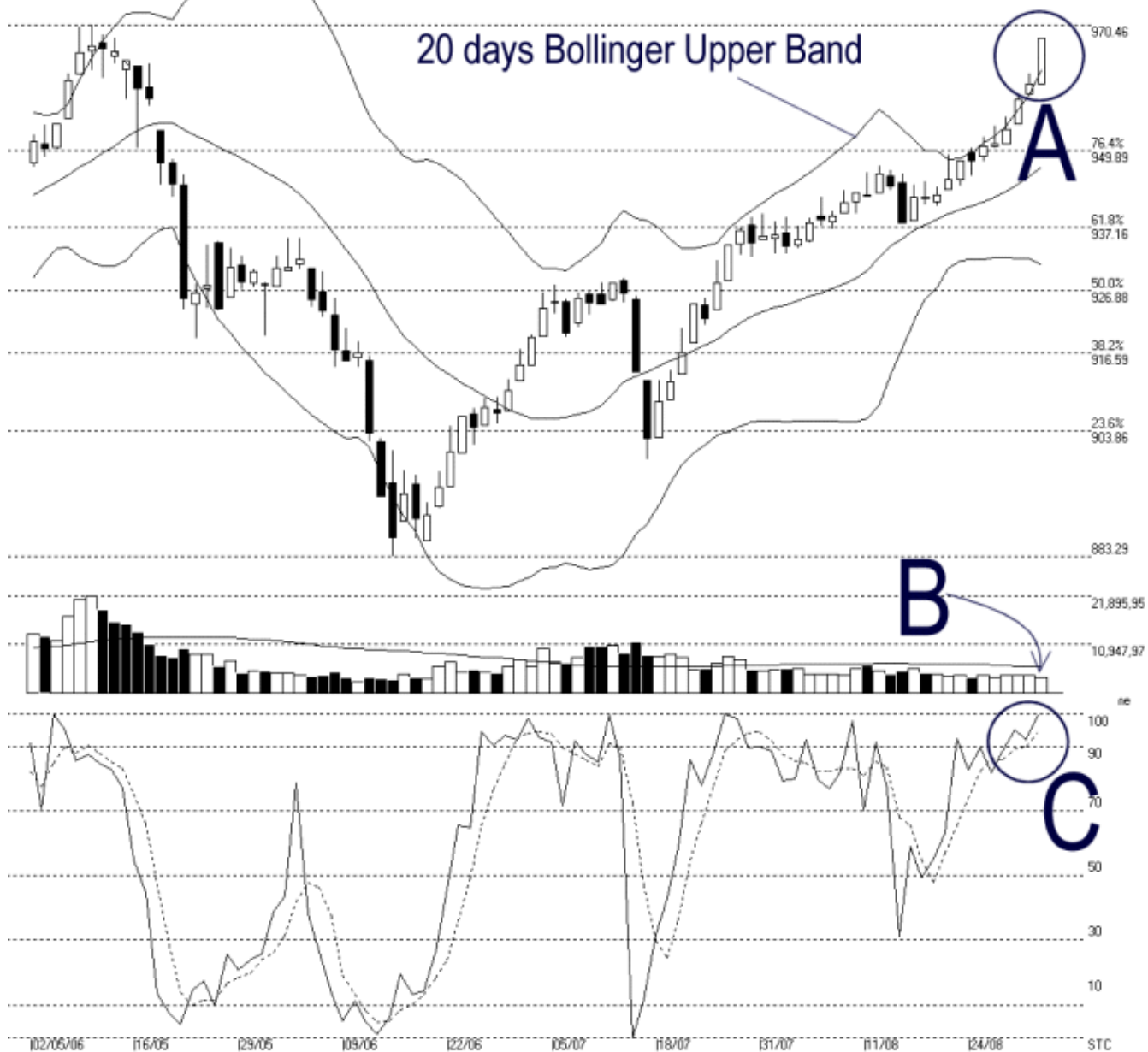




Straits Index (M) Sdn Bhd.
WinChart Technical Analysis
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Open:960.820 High:968.220 Low:960.820 Close:968.220 +7.530(0.8%) Volume:3,642,603 (-446170,-10.9%)
COMPOSITE INDEX [COMPOSITE] 02/05/2006 - 04/09/2006 Ticks=88 Bollinger Band(20,2) 20% - Volume Daily
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Composite Index Daily Technical Analysis, 04/09/2006, by Straits Index (M) Sdn Bhd

As circled by A, the KLCI ended higher but breaching above the 20 days Bollinger upper band. This suggested that the KLCI was over-heated, thus a pull-back effect shall take place in the near future. As of the closing of Monday, the pull-back effect has not started yet. Generally, a pull-back effect will start if the KLCI closed black (or red) or with a reversal candlestick pattern. Therefore, readers are advised to watch out for such signals. Nevertheless, resistance for the KLCI is now at 970.46 Fibonacci

Retracement while the immediate support is at the rising 14, 21, 31 EMA dynamic support. (Study A)

Unsurprisingly, total market volume ended lower again despite a relatively strong gain of the KLCI. Volume ended 10.9% lower with only about 364 million shares traded. Needless to say, the volume failed to meet the 40 days VMA (Volume Moving Average) level, which suggested that the market participation was clearly insufficient. (Study B)

As circled by C, both %K and %D of the Stochastic was above the 90% level, which is the short-term over-bought region. This suggested an temporary over-bought condition in which the KLCI is likely to have a technical correction. Nonetheless, provided that both lines of the Stochastic are still situated above the 70% level, market sentiment for the short-term is still bullish. (Study C)