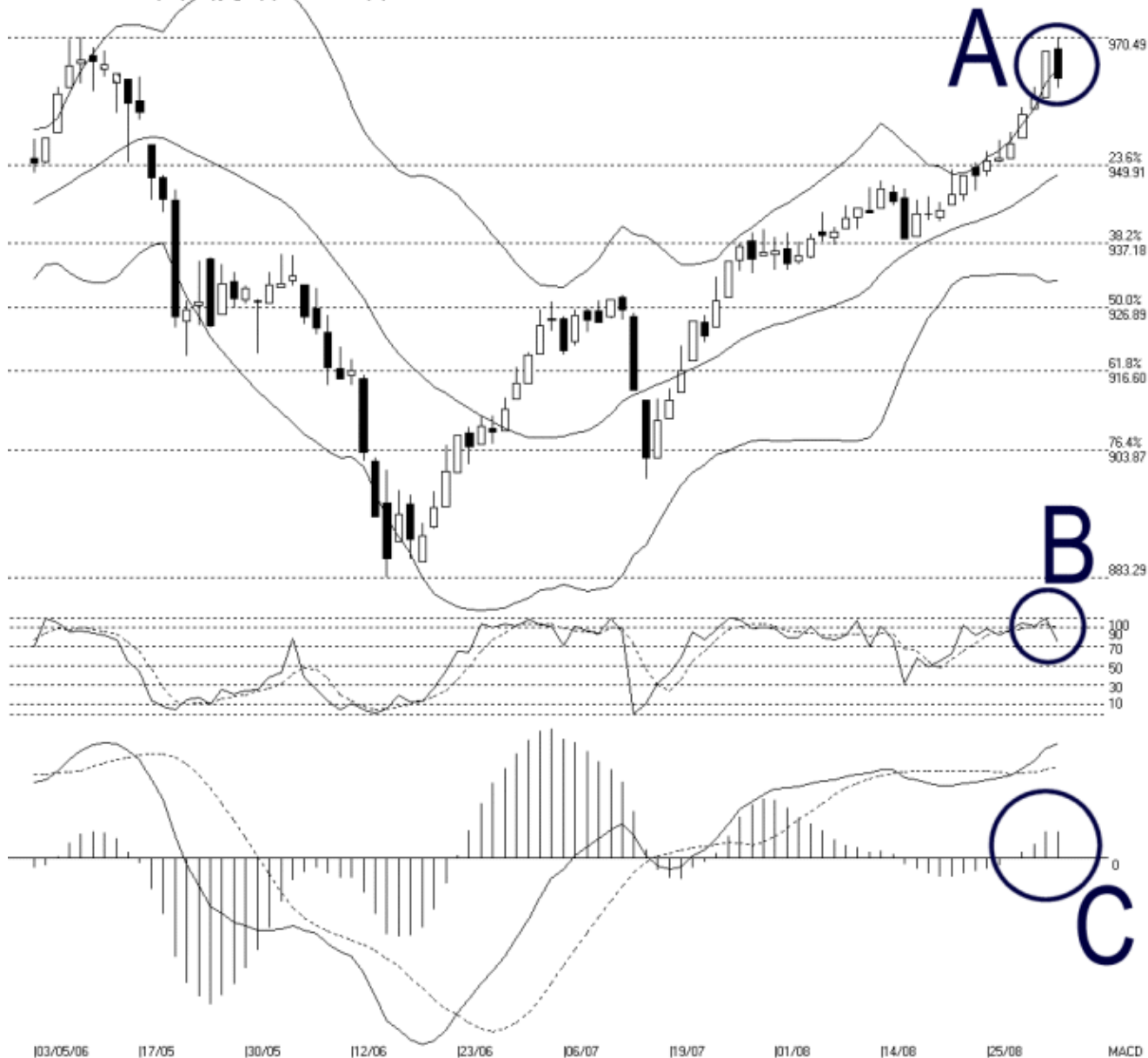




Straits Index (M) Sdn Bhd.
WinChart Technical Analysis
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Open:968.640 High:970.490 Low:962.240 Close:963.840 -4.380(-0.5%) Volume:4,569,748 (+927145.25.5%)
COMPOSITE INDEX [COMPOSITE]_03/05/2006 - 05/09/2006 Ticks=88 Bollinger Band(20.2) 7% - STC(9.3) %K=75.48, %D=90.37 (-14.89) Daily
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Composite Index Daily Technical Analysis, 05/09/2006, by Straits Index (M) Sdn Bhd

KLCI was precisely resisted by the 970 Fibonacci Retracement resistance, and as circled by A, the KLCI ended lower and at the same time initialized the pull-back effect. The pull-back is a technical correction after the KLCI breaching above the 20 days Bollinger upper band, which resulted an over-heated situation. Nevertheless, the target of the pull-back effect is usually the middle band of the 10 days Bollinger Bands. Immediate resistance for the KLCI is at 970 level while the support is at the 14,

21, 31 EMA dynamic support. (Study A)

In line with the pull-back effect, Stochastic ended lower on Tuesday. At the moment, both %K and %D lines are still above the 70% bullish region. If they broke below the 70% level, it would suggest an end to the short-term bullish sentiment. (Study B)

Mean while, MACD histogram also ended lower, and therefore, forming a rounding top. The rounding top of the MACD histogram suggested a short-term technical correction, and also showing that the weakening of the bullish signal. Nevertheless, MACD has not triggered any bearish signal at the moment. (Study C)