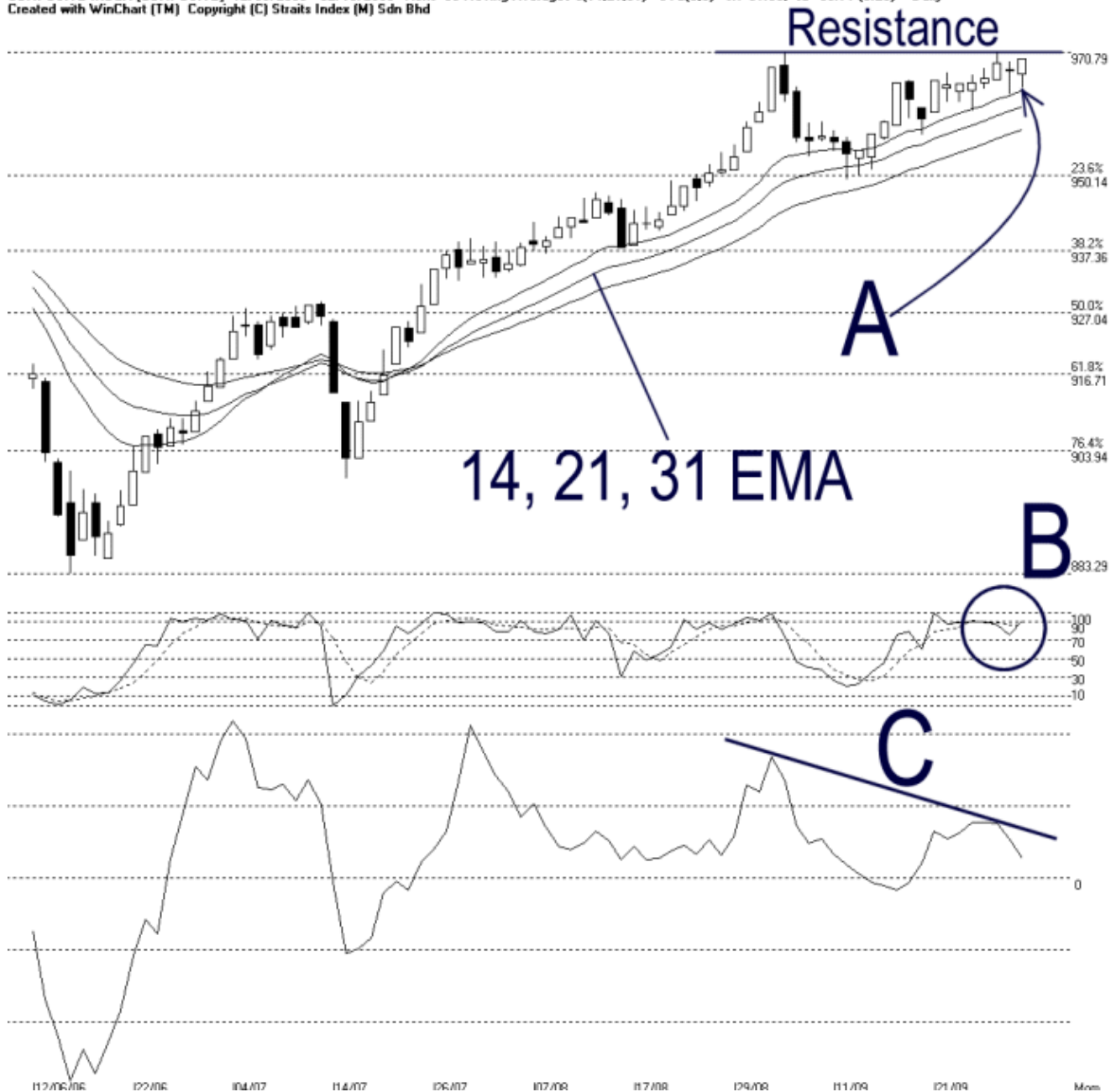




Straits Index (M) Sdn Bhd.
WinChart Technical Analysis
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Open:967.170 High:969.670 Low:964.760 Close:969.670 +2.120(0.2%) Volume:3,651,977 (-501711,-12.1%)
COMPOSITE INDEX [COMPOSITE] 12/06/2006 - 02/10/2006 Ticks=80 Moving Averages e(14,21,31) - STC(9,3) %K=91.96, %D=86.71 (5.25) Daily
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Composite Index Daily Technical Analysis, 02/10/2006, by Straits Index (M) Sdn Bhd

Once again, as pointed by A, the KLCI rebounded from the 14 days EMA dynamic support, and this has again suggesting that the 14, 21, 31 EMA is still serving as the dynamic support to the KLCI. (Study A) Despite the rising support from the 14, 21, 31 EMA, we still see an important resistance at the 970.79 Fibonacci Retracement. This would remained as an important resistance for the KLCI for

the KLCI was still resisted by this level, the upside room is still limited.

Both the %D and %K line of the Stochastic are showing a short-term bullish signal, with both lines situated above the 70% level. Therefore, provided that the Stochastic could maintain its position above the 70% level, market sentiment for the short-term is still bullish. (Study B)

As mentioned in last Friday's analysis, the Class B bearish divergence signal from the Momentum is still intact. Momentum must break above the descending line C, or else, the class B divergence signal is still suggesting a weakness in the KLCI. (Study C)