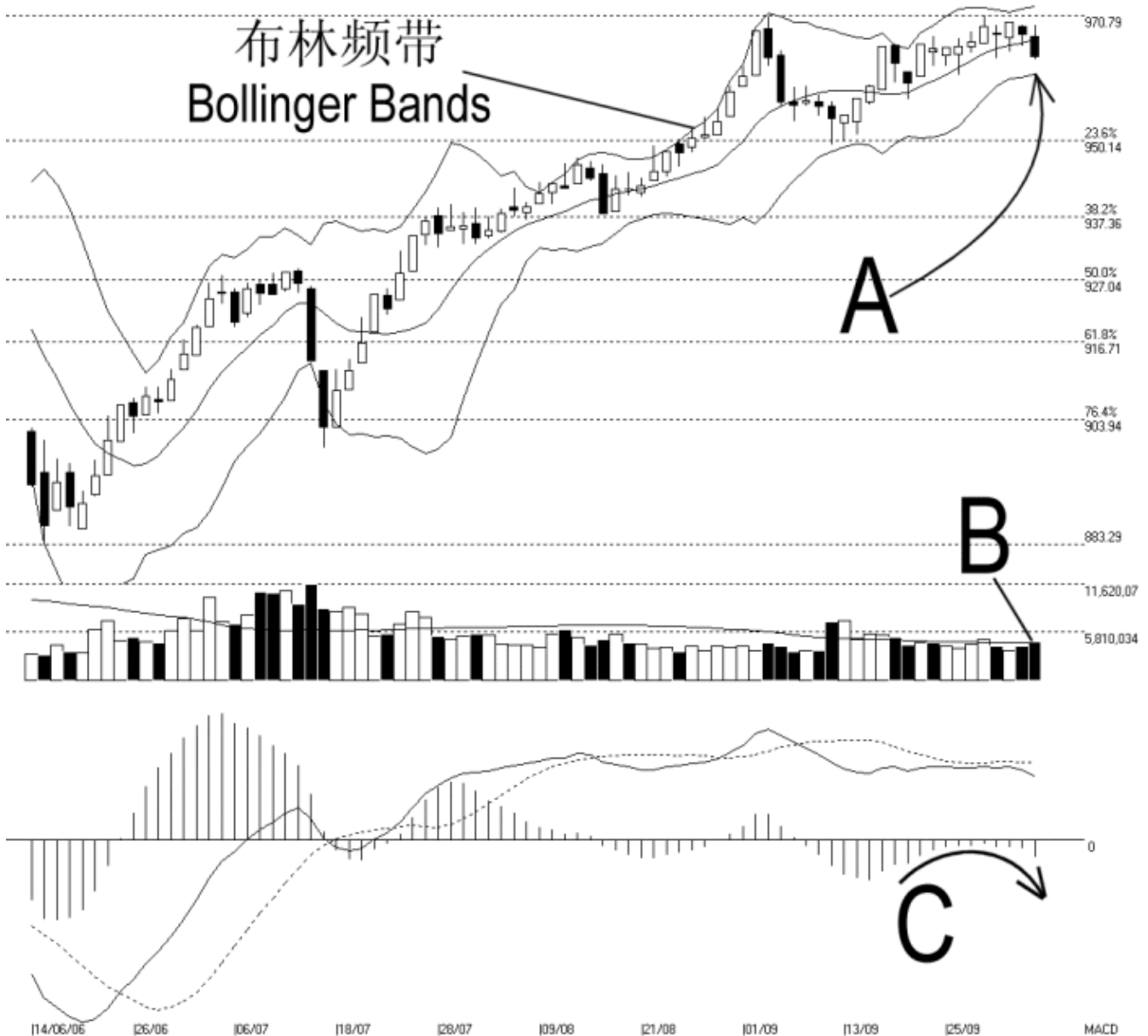




Straits Index (M) Sdn Bhd.
 WinChart Technical Analysis
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Open:967.260 High:969.190 Low:963.520 Close:964.060 -3.500(-0.4%) Volume:4,648,486 (+572558,14.0%)
 COMPOSITE INDEX [COMPOSITE] 14/06/2006 - 04/10/2006 Ticks=80 Bollinger Band(10.2) -2% -Volume Daily
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Composite Index Daily Technical Analysis, 04/10/2006, by Straits Index (M) Sdn Bhd

The KLCI continued its technical correction after resisted again by the 970 resistance level. On Wednesday, the KLCI fell below the Bollinger middle band with the Bollinger Band width contracted 2%. If the Bollinger Band width were to expand with the KLCI staying below the Bollinger middle band, it would be a bearish signal and the next support for the KLCI is at 950 Fibonacci Retracement

level. (Study A)

Total market volume on Wednesday gained 14%, and managed to break above the 40 days VMA level. If the KLCI could rebound with the continue growing volume, the KLCI is likely to re-test the 970.79 resistance. However, if the KLCI were to retreat further with increasing volume, immediate outlook for the KLCI would be more bearish bias. (Study B)

As shown by arrow C, MACD histogram was still descending suggested the KLCI movement for the short-term is still weak. Provided that the histogram is still falling, the bearish short-term movement is expected to continue. (Study C)