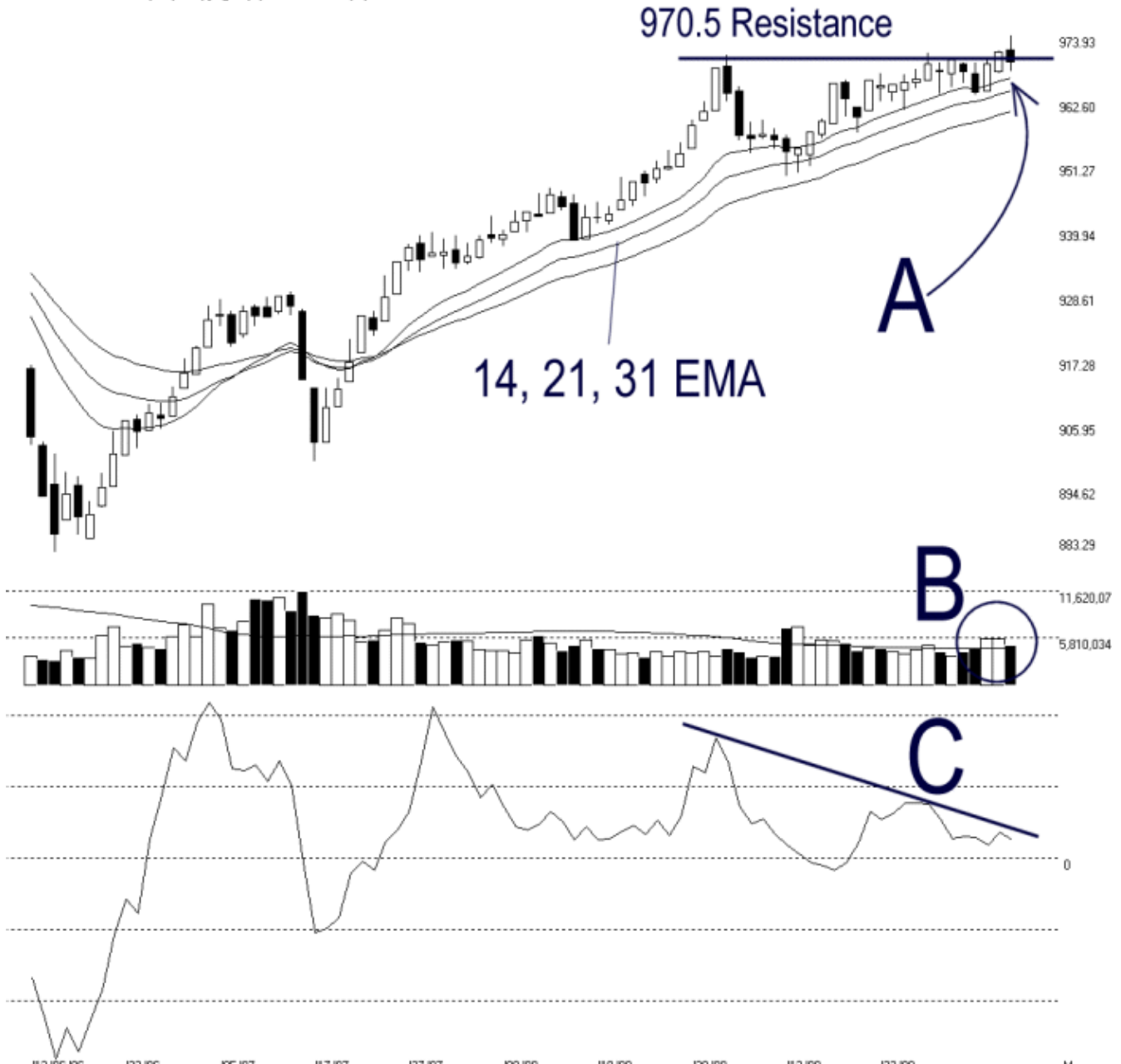




Straits Index (M) Sdn Bhd.  
WinChart Technical Analysis  
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Open: 971.480 High: 973.930 Low: 967.540 Close: 969.360 -1.620(-0.2%) Volume: 4,898,156 (-806205,-14.1%)  
COMPOSITE INDEX [COMPOSITE] 13/06/2006 - 09/10/2006 Ticks=84 Moving Averages e[14,21,31] - Volume Daily  
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### Composite Index Daily Technical Analysis, 09/10/2006, by Straits Index (M) Sdn Bhd

KLCI made another intra-day new high at 973.93; however, closed lower at 969.38 points. Therefore, the breakout of the 970.50 resistance level is still yet to be confirmed. As pointed by A, the 14, 21, 31 EMA remained rising and continue serving as the dynamic support to the KLCI. As long as the KLCI is still supported by the rising EMA, the uptrend of the KLCI is likely to continue. (Study A)

Total market volume retreated 14.1% on Monday as the KLCI was having a technical correction. However, the market volume remained higher above the 40 days VMA level, suggested that the market participation was relatively sufficient. Therefore, provided that the volume could stay above the 40 days VMA level, outlook for the KLCI is likely to stay positive. (Study B)

Despite the KLCI making new high, the class-A bearish divergence of Momentum was still intact. This suggested a weakness on the KLCI and if the Momentum could not break above the descending line, there is a chance for more technical correction of the KLCI. (Study C)