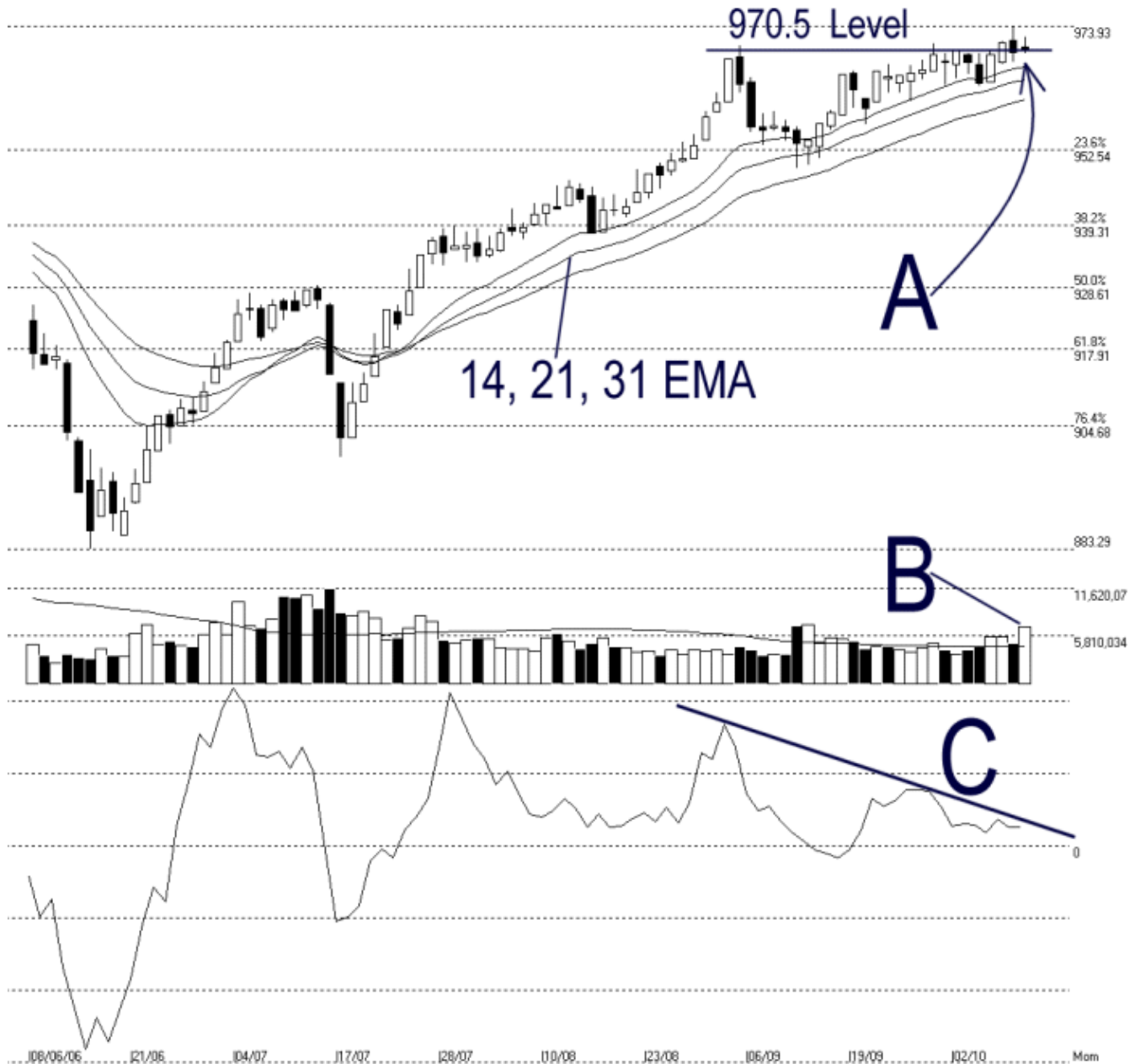




Straits Index (M) Sdn Bhd.
WinChart Technical Analysis
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Open:970.200 High:971.900 Low:969.230 Close:969.710 +0.330(0.0%) Volume:6,971,770 (+2073614.42.3%)
COMPOSITE INDEX [COMPOSITE] 08/06/2006 - 10/10/2006 Ticks=88 Moving Averages e[14,21,31] - Volume Daily
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Composite Index Daily Technical Analysis, 10/10/2006, by Straits Index (M) Sdn Bhd

KLCI ended mixed on Tuesday, closing 0.33 of a point higher to 969.71 points. As shown on the chart above, the KLCI is testing the 970.5 level and the break-out of this level was still doubtful. Nevertheless, the rising 14, 21, 31 EMA would continue serving as the dynamic support to the KLCI. (Study A)

Total market volume on Tuesday gained 42.3% and stood higher above the 40 days VMA level. This suggested that the market participation, in general, was good, and as long as the volume could maintain its position above the 40 days VMA level, market outlook in general is likely to stay positive. (Study B)

Due to the undecided direction of the KLCI, the Momentum failed to break above the descending line, thus the Class-A Bearish divergence signal is still in place. The divergence signal shall remained as a caution signal for it suggested a weakness in the KLCI. (Study C)