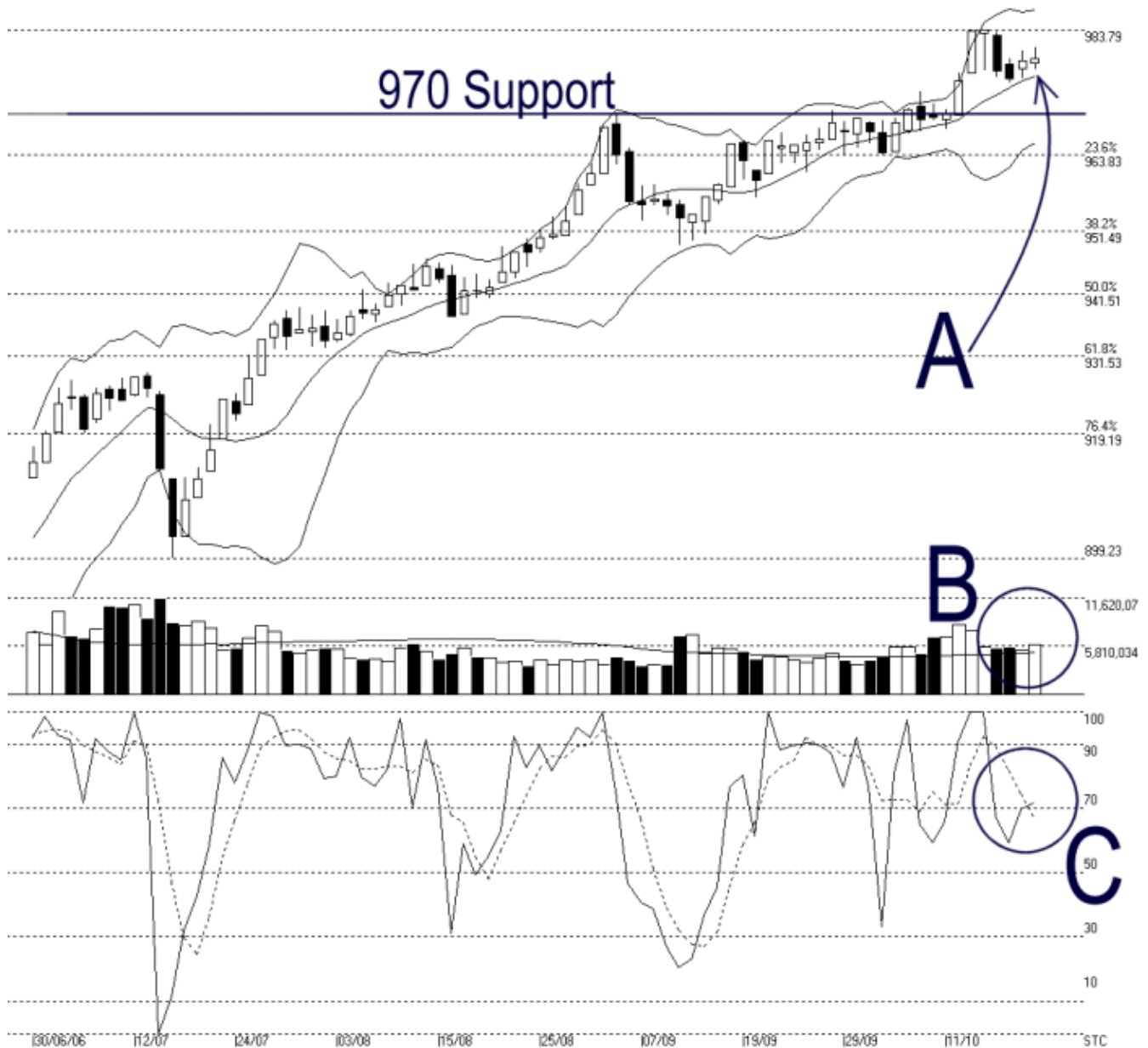




Straits Index (M) Sdn Bhd.
 WinChart Technical Analysis
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Open:978.400 High:980.890 Low:977.340 Close:979.190 +0.420(0.0%) Volume:6,023,559 (+707454.13.3%)
 COMPOSITE INDEX [COMPOSITE] 30/06/2006 - 20/10/2006 Ticks=80 Bollinger Band(10.2) -5% - Volume Daily
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Composite Index Daily Technical Analysis, 20/10/2006, by Straits Index (M) Sdn Bhd

KLCI ended mixed on Friday, gaining 0.42 of a point to 979.19 points. As pointed by A, the Bollinger Band width contracted further 5%, suggested that the KLCI was indeed still consolidating, while managed to stay above the Bollinger middle band. The consolidation of the KLCI shall continue until an expansion of the Bollinger Band width. If the KLCI could stay above the Bollinger middle band

when the band width expands, it would be a positive signal suggested more upside room for the KLCI. (Study A) Nonetheless, the immediate resistance for the KLCI is at 983.79 Fibonacci Retracement.

Total market volume gained 13.3% with around 602 million shares traded. As shown by B, the volume managed to stay above the 40 days VMA level, suggested that the market was relatively active despite the anticipation of the long festive holiday. Therefore, if the volume could continue staying above the 40 days VMA, outlook for the KLCI in general would likely to stay positive. (Study B)

%K of Stochastic rebounded and broke above 70% level marginally; however, the %D on the other hand fell below 70%. Therefore, Stochastic showed a conflict or mixed signal which needed further monitor. If both lines could rise and stay above 70% level, the market movement for the short-term would turn bullish, other it would suggested a neutral short-term movement. (Study C)