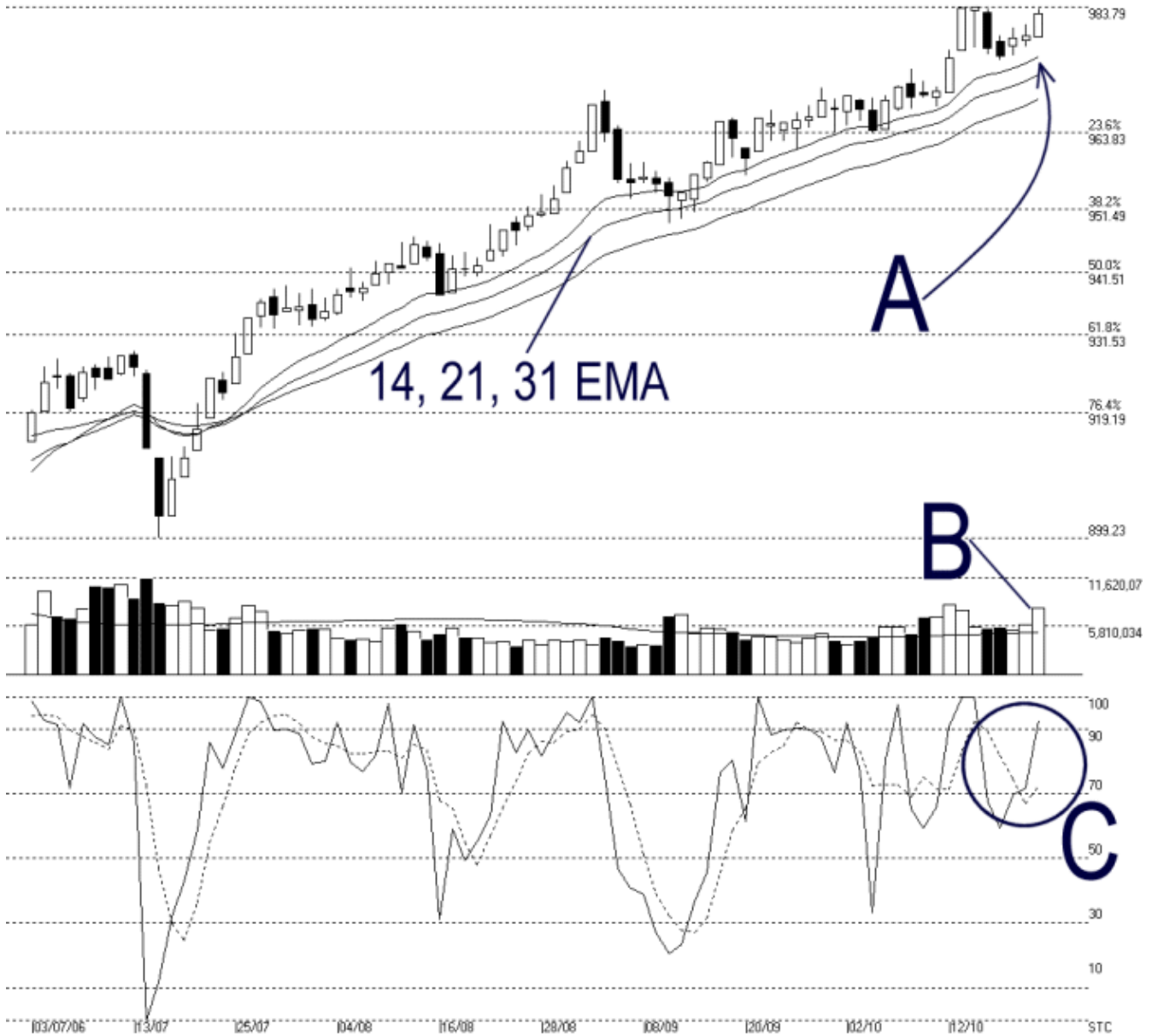




**Straits Index (M) Sdn Bhd.**  
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Open:979.000 High:983.430 Low:979.000 Close:982.630 +3.440(0.4%) Volume:8,050,555 (+2026996.33.7%)  
 COMPOSITE INDEX [COMPOSITE] 03/07/2006 - 26/10/2006 Ticks=80 Moving Averages e[14,21,31] - Volume Daily  
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**Composite Index Daily Technical Analysis, 26/10/2006, by Straits Index (M) Sdn Bhd**

KLCI ended higher on Thursday, gaining 3.44 points to 982.63 points. As pointed by A, the 14, 21, 31 EMA continued serving as the dynamic support to the KLCI. Meanwhile, the immediate resistance for the KLCI is still at 983.79 Fibonacci Retracement. The KLCI must break above the 983.79 resistance in order to continue its up trend.

Total market volume gained another 33.7%, standing clearly higher above the 40 days VMA level. This suggested that the market was well participated. If the volume could maintain above the 40 days VMA the bullish market sentiment is likely to continue. Mean while, the increase of volume is imperative if the KLCI were to break above the 983.79 resistance. (Study B)

As circled by C, both lines of the Stochastic has entered the short-term bullish region. (Above 70%) Therefore, provided that the Stochastic could maintain its position above the 70% level, the market movement for the short-term is likely to stay bullish. (Study C)