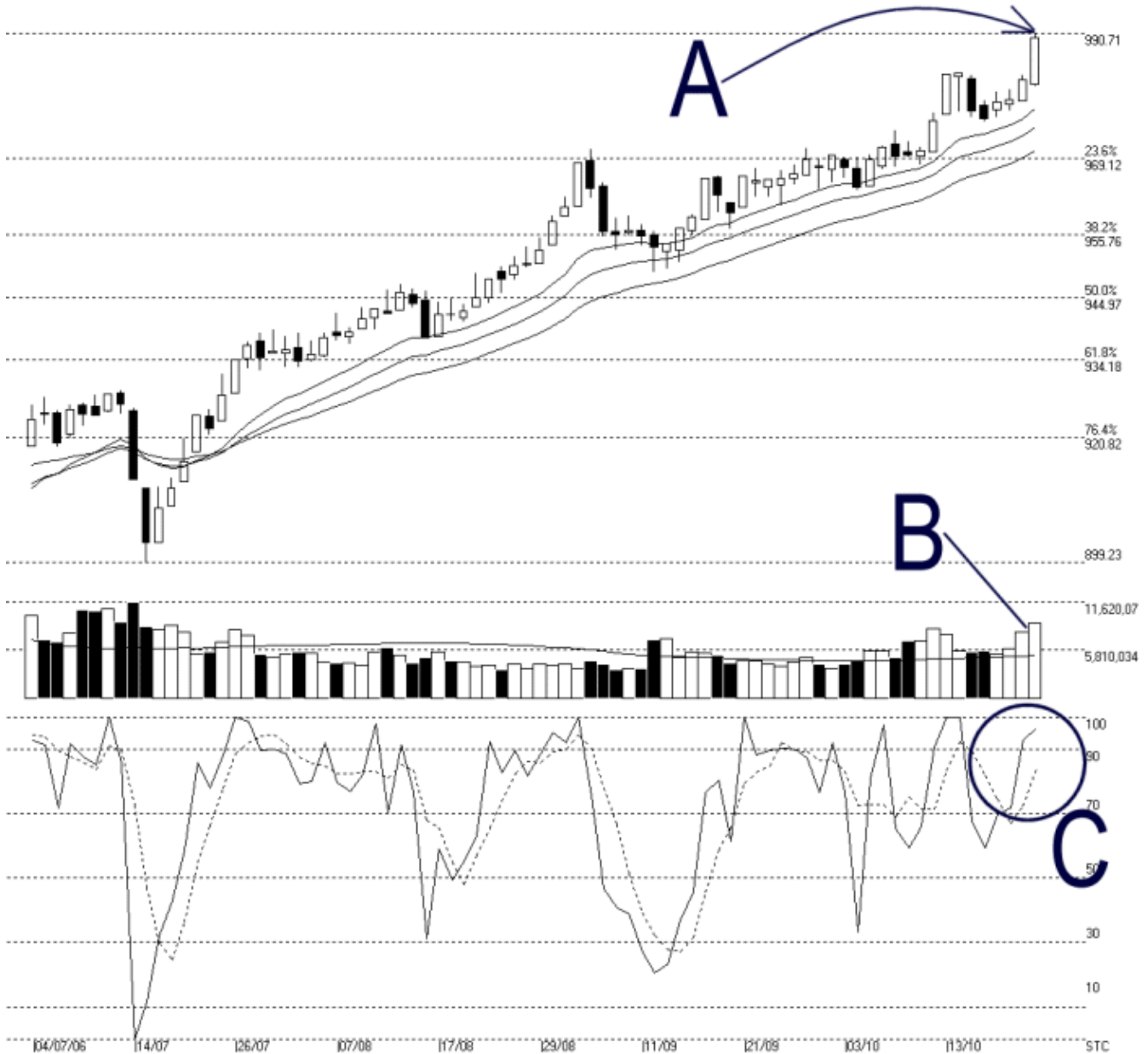




Straits Index (M) Sdn Bhd.
WinChart Technical Analysis
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Open:981.910 High:990.710 Low:981.480 Close:989.900 +7.270(0.7%) Volume:9,065,255 (+1014700,12.6%)
 COMPOSITE INDEX [COMPOSITE] 04/07/2006 - 27/10/2006 Ticks=80 Moving Averages e[14,21,31] - Volume Daily
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Composite Index Daily Technical Analysis, 27/10/2006, by Straits Index (M) Sdn Bhd

KLCI ended higher on Friday, gaining 7.27 points to close at 989.9 points. As pointed by A, the KLCI was temporary resisted at 990.71 Fibonacci Retracement, which was the resistance level of the Right Shoulder of the Head and Shoulders Top reversal pattern happened in the year 2000. Therefore, if the KLCI could break above this resistance, the next resistance would be the 1000 points psychological

level followed by the 1021 Fibonacci Retracement. Nevertheless, the rising 14, 21, 31 EMA shall remained as the dynamic support to the KLCI.

Total market volume continue to increase on Friday, while staying firmly above the 40 days VMA level. This suggested that the market was indeed well participated, and therefore, as long as the volume could remained above the 40 days VMA level, the bullish market sentiment is likely to persist. (Study B)

As circled by C, Stochastic remained situated above 70% level, which is the short-term bullish region. Therefore, provided that the Stochastic could stay above this level, the market movement for the short-term is expected to be bullish bias. (Study C)