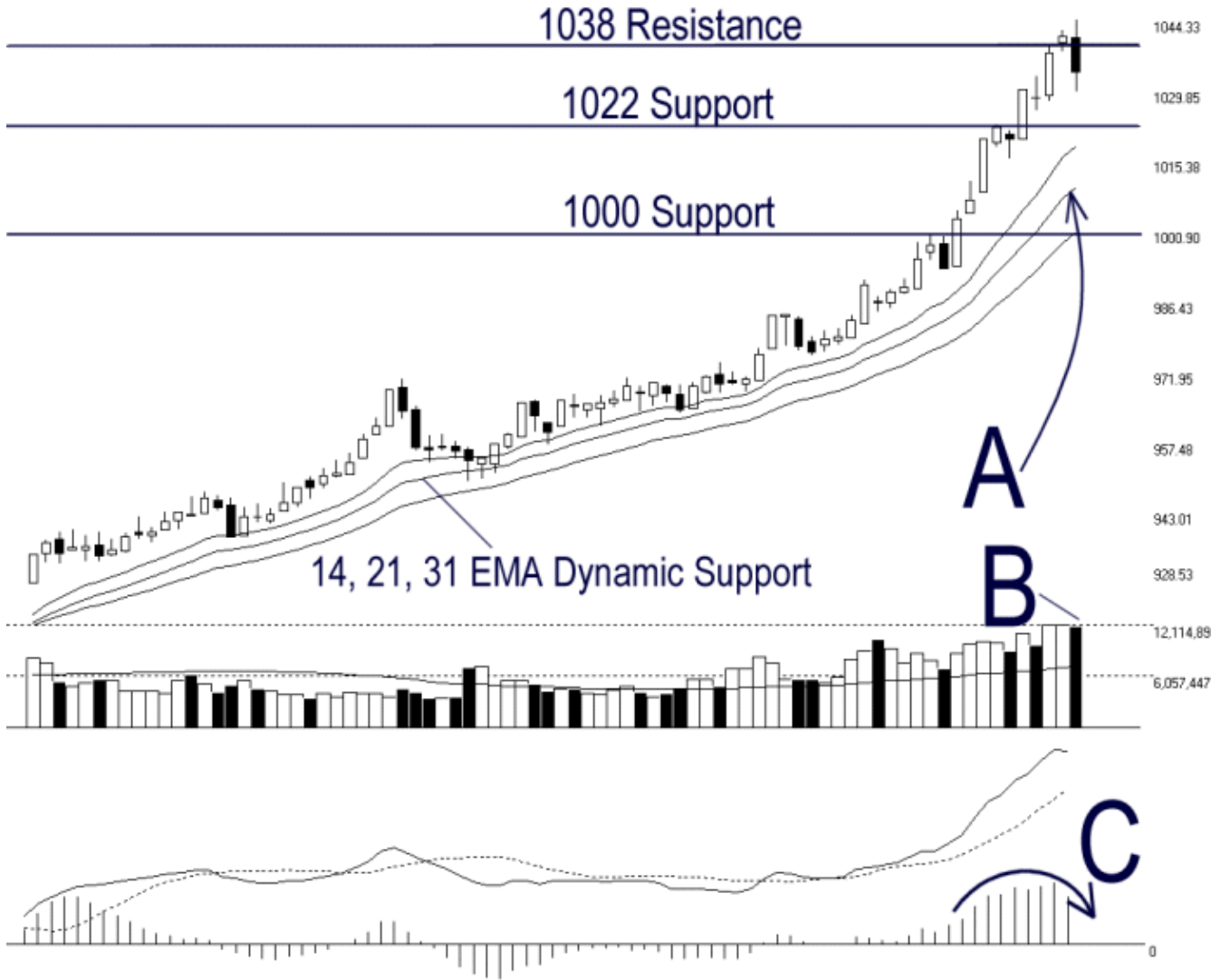




Straits Index (M) Sdn Bhd.
WinChart Technical Analysis
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Open:1040.750 High:1044.330 Low:1029.410 Close:1033.520 -7.270(-0.7%) Volume:11,995,159 (-119735,-1.0%)
 COMPOSITE INDEX [COMPOSITE] 26/07/2006 - 20/11/2006 Ticks=80 Moving Averages of(14,21,31) - Volume Daily
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Composite Index Daily Technical Analysis, 21/11/2006, by Straits Index (M) Sdn Bhd

KLCI technically rebounded on Tuesday, ended the day 2.64 points higher to 1036.16 points. As shown on the chart above, the KLCI is now in a consolidation mode with the 1038 or 1040 points as the resistance while the supports are still found in 1022 point and 1000 points respectively. In addition, as pointed by A, the 14, 21, 31 EMA is still serving as the dynamic support to the KLCI. Therefore, provided that the KLCI is still supported by the rising EMA dynamic support, the outlook for the KLCI

is still positive bias.

Total market volume on Tuesday declined 17.4%, with the volume still remained above the 40 days VMA level. Therefore, based on the reading of volume, it suggests that the market was still resilient. Although the volume was lower, it is usually viewed as a healthy signal during a consolidation. Anyhow, if the KLCI were to re-test the 1038 or 1040 resistance, an increased of volume is absolutely crucial. (Study B)

As indicated by C, the MACD histogram continued ticking lower, therefore, a rounding top signal is still visible. Therefore, this suggested that the KLCI short-term is still under consolidation. The short-term consolidation is expected to continue until the histogram ticked up and formed a rounding bottom. (Study C)