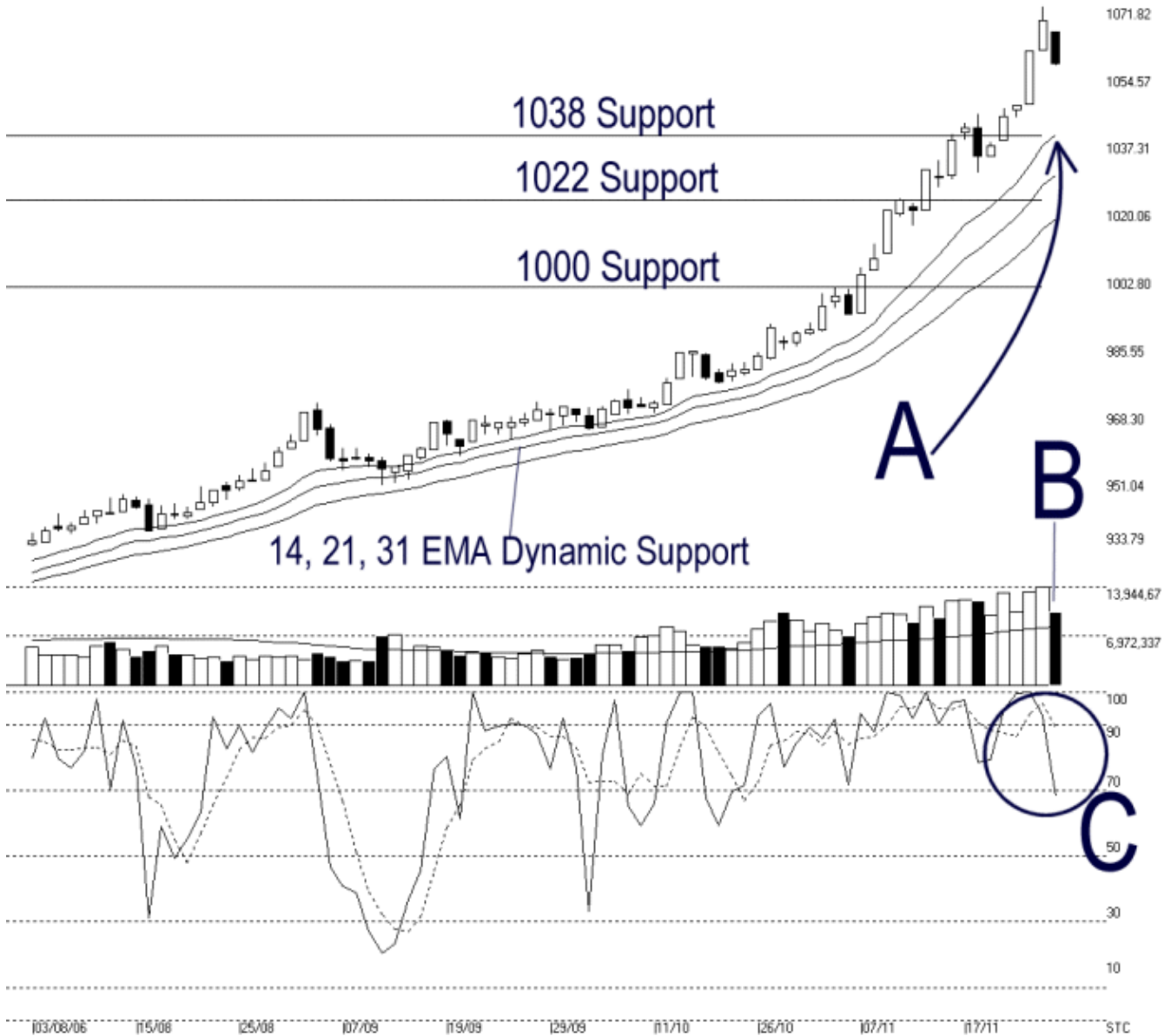




Straits Index (M) Sdn Bhd.
WinChart Technical Analysis
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Open:1065.330 High:1065.330 Low:1056.720 Close:1057.230 -11.060(-1.0%) Volume:10,433,733 (-3510941,-25.2%)
 COMPOSITE INDEX [COMPOSITE] 03/08/2006 - 28/11/2006 Ticks=80 Moving Averages e[14,21,31] - Volume Daily
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Composite Index Daily Technical Analysis, 28/11/2006, by Straits Index (M) Sdn Bhd

KLCI technically corrected on Tuesday, ended the day losing 11.06 points to 1057.23 points. As pointed by A, the rising 14, 21, 31 EMA is still serving as the dynamic support to the KLCI, if the KLCI could rebound anywhere above this dynamic support, the uptrend shall resume. Nevertheless, at the moment, the KLCI is at a correction phase, which is also suggested by the contraction of the Bollinger Band width. Supports are still seen at 1038, 1022, and 1000 points.

As pointed by B, total market volume on Tuesday declined 25.2%, while managed to stay above the 40 days VMA level. The decline of volume during a correction stage is usually viewed as a healthy sign. With the volume continue staying above the 40 days VMA, the bullish market sentiment is likely to sustain. (Study B)

As circled by C, Stochastic %K fell below 70% marginally on Tuesday in respond to the KLCI correction. If the %D line fell below 70% level, it shall confirm the %K signal which suggested an end to the short-term bullish movement. (Study C)