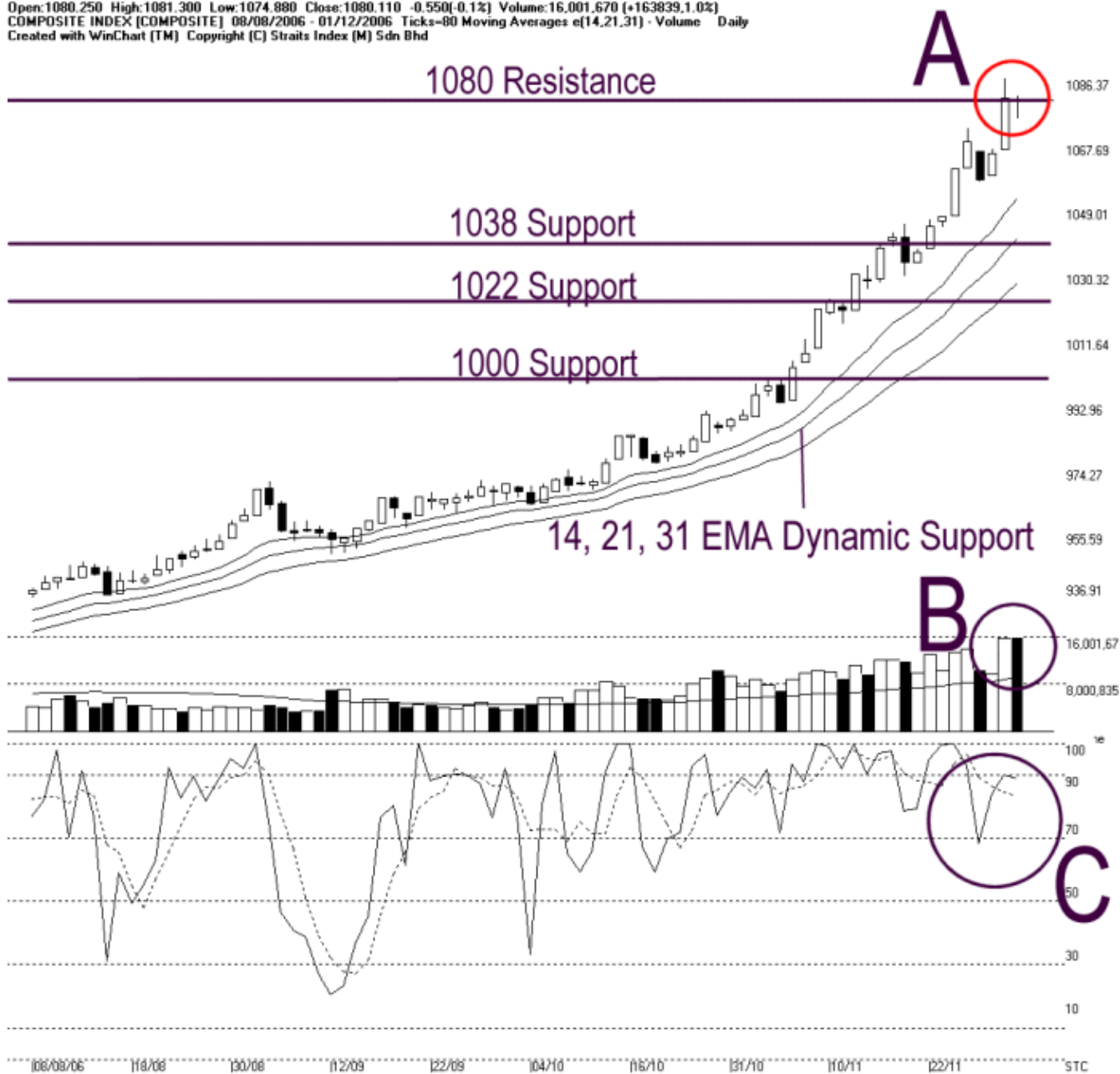




Straits Index (M) Sdn Bhd.
 WinChart Technical Analysis
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Open:1080.250 High:1081.300 Low:1074.880 Close:1080.110 -0.550(-0.1%) Volume:16,001,670 (+163839.10%)
 COMPOSITE INDEX [COMPOSITE] 08/08/2006 - 01/12/2006 Ticks=80 Moving Averages e[14,21,31] - Volume Daily
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Composite Index Daily Technical Analysis, 01/12/2006, by Straits Index (M) Sdn Bhd

KLCI retested the 1080 resistance and close precisely at 1080.11 point on Friday, suggested that the 1080 is still the resistance to the KLCI. (Study A) If the KLCI failed to break above the 1080 resistance, the KLCI would go through another consolidation and the support would be at the rising 14, 21, 31 EMA dynamic support. Nevertheless, other supports are seen at 1038, 1022 and 1000 points.

Total market volume increased 1% on Friday. However, with the KLCI testing the resistance, a high volume would suggest that the resistance is confirmed, which reinforced the strength of the resistance level. Nevertheless, if the volume could maintain above the 40 days VMA level after the correction, the bullish sentiment is likely to continue. (Study B)

Nothing much changes in the Stochastic, with both lines still situated above the 70% level, short-term bullish region. If the KLCI were to retreat and consolidation, expect a decline in both %K and %D lines and if %K fell below 70% level, that would be the first signal suggested an end to the short-term bullish movement, and confirmation comes when the %D fell below 70% level. (Study C)