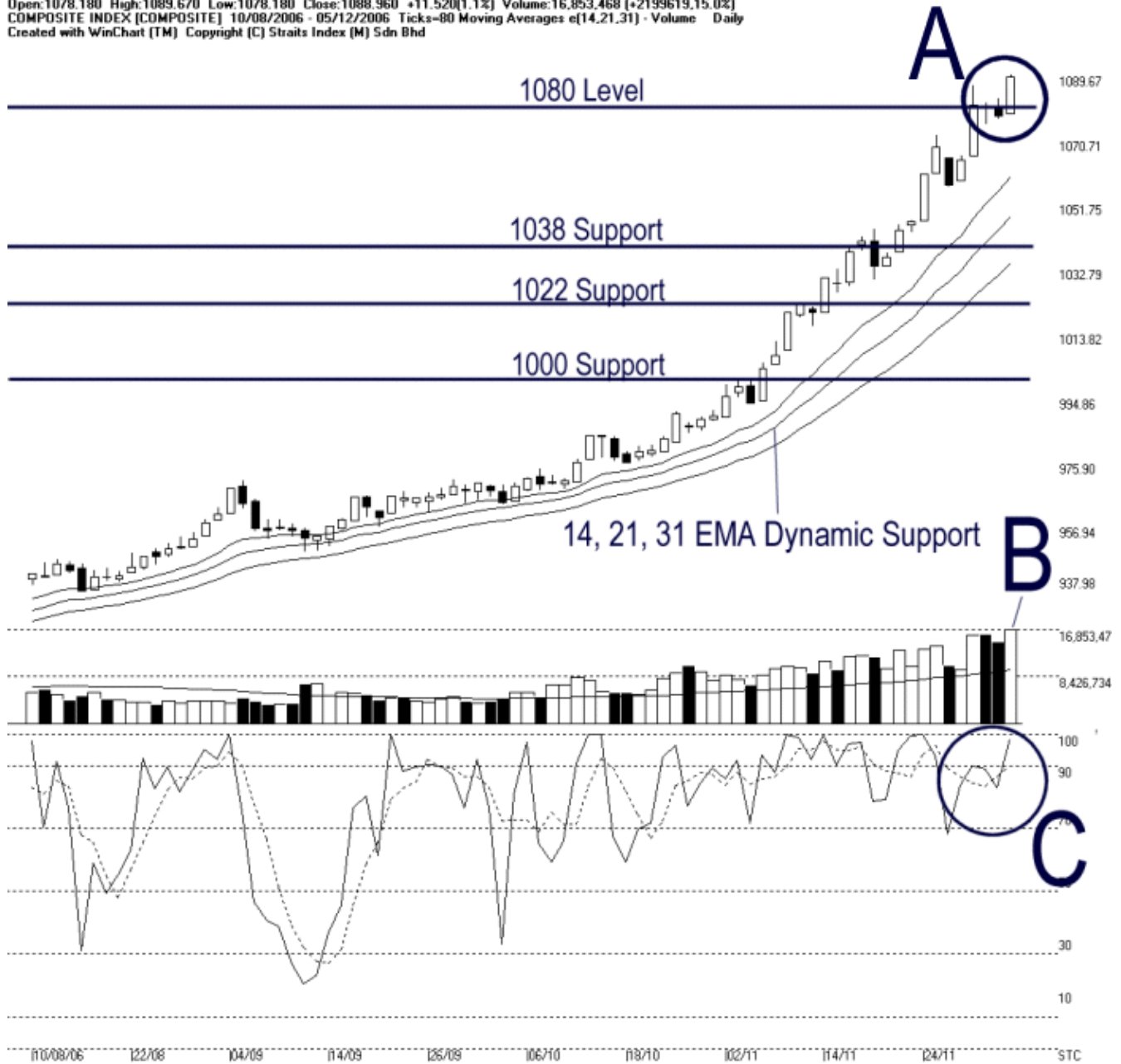




Straits Index (M) Sdn Bhd.
 WinChart Technical Analysis
 Tel: (03) 8941 6828
 Fax: (03) 8941 9828
 email: info@straitsindex.com

Open:1078.180 High:1089.670 Low:1078.180 Close:1088.960 +11.520(1.1%) Volume:16,853,468 (+2199619.15.0%)
 COMPOSITE INDEX [COMPOSITE] 10/08/2006 - 05/12/2006 Ticks=80 Moving Averages e[14,21,31] - Volume Daily
 Created with WinChart (TM) Copyright (C) Straits Index (M) Sdn Bhd



Composite Index Daily Technical Analysis, 05/12/2006, by Straits Index (M) Sdn Bhd

KLCI ended higher on Tuesday, breaking the 1080 resistance by more than 8 points, and closed at 1088.96 points. (Study A) The KLCI must stay above the 1080 level in order to confirm the break out. Nevertheless, with the KLCI continuously supported by the rising 14, 21, 31 EMA dynamic support, the outlook for the KLCI remained positive bias.

Total market volume on Tuesday increased 15%, with over 16.8 million shares traded. Volume was highly above the 40 days VMA level suggested a continued inflow of market capital as well as continuity of market participation. Provided that the volume could continue increase while maintaining above the 40 days VMA level, the bullish sentiment is likely to sustain. (Study B)

In line with the rising of the KLCI, Stochastic went above 90% level, which has entered the short-term over-bought region. Therefore, a technical correction is likely to take place. Nonetheless, with Stochastic staying above 70% level, which is the short-term bullish region, the market movement for the short-term is still bullish (Study C)