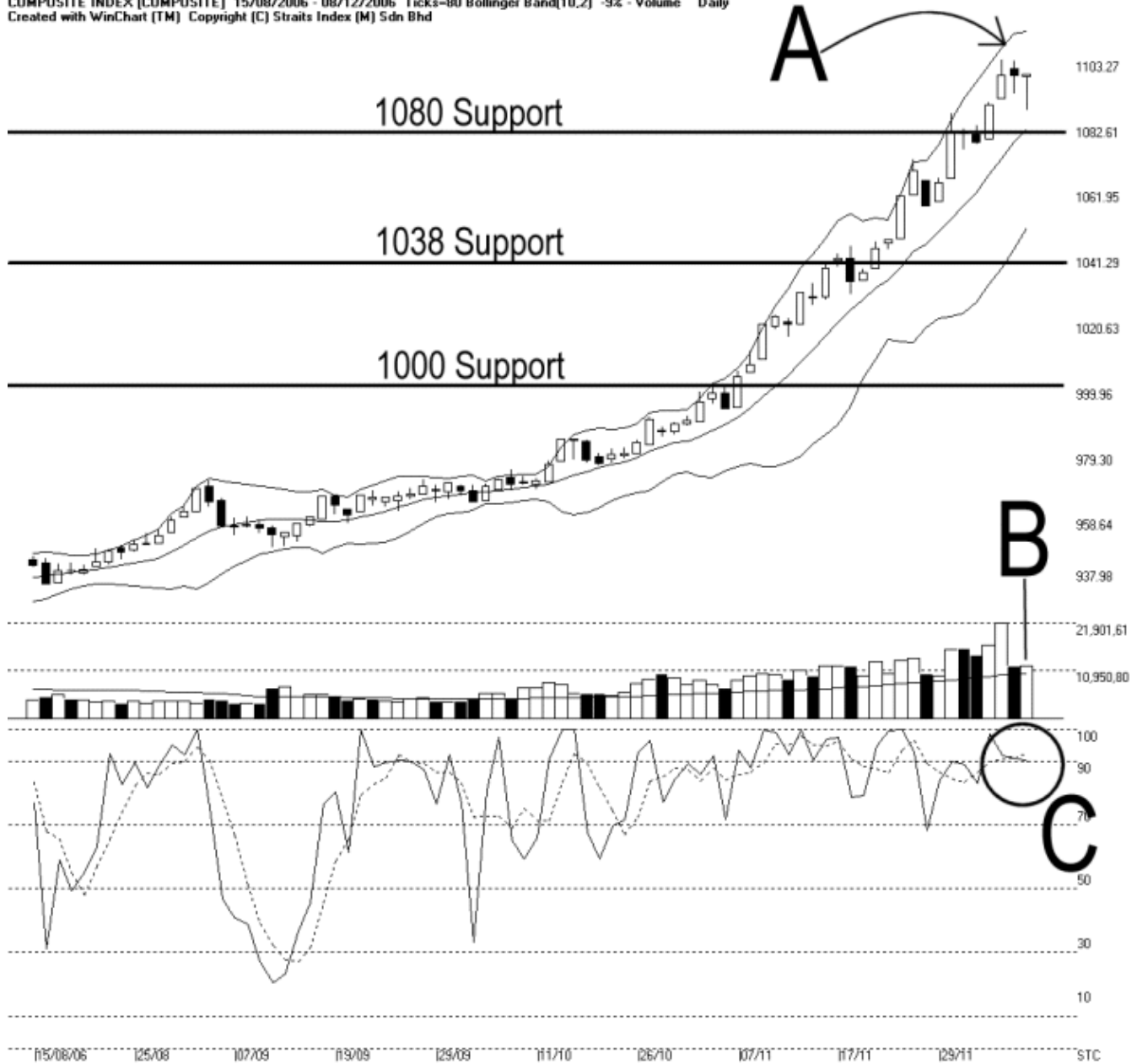




Straits Index (M) Sdn Bhd.
 WinChart Technical Analysis
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Open:1097.840 High:1098.590 Low:1087.370 Close:1098.590 +0.330(0.03%) Volume:12,102,684 (-88290,-0.7%)
 COMPOSITE INDEX [COMPOSITE] 15/08/2006 - 08/12/2006 Ticks=80 Bollinger Band(10.2) -9% -Volume Daily
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Composite Index Daily Technical Analysis, 08/12/2006, by Straits Index (M) Sdn Bhd

As pointed by A, the Bollinger Band width contracted 9%, suggested that the KLCI is now entering a consolidation stage. On the Friday, the KLCI had an intra-day low at 1087.37 points but rebound after the afternoon session to close at 1098.59 points, up 0.33 of a point. Nevertheless, immediate support for the KLCI is at 1080 level while the rising 14, 21, 31 EMA is still serving as the dynamic support to the KLCI. Resistance of the KLCI is at 1103.27 points.

Although the KLCI rebounded, the total market volume on the other hand declined 0.7%. As pointed by B, the current total market volume was relatively lower than the overall market volume. If the KLCI was to stay in the consolidation stage, a lower volume would still be considered as healthy. However, if the KLCI was to resume its uptrend, more volume is needed to confirm. (Study B)

As circled by C, Stochastic remained above 90% level, which is the short-term over-bought zone. This suggested that the market movement for the short-term is still slightly over-heated, and there is still risk for a technical correction. Nonetheless, provided that the Stochastic could remain above the 70% after the correction, market movement for the short-term is still bullish bias. (Study C)