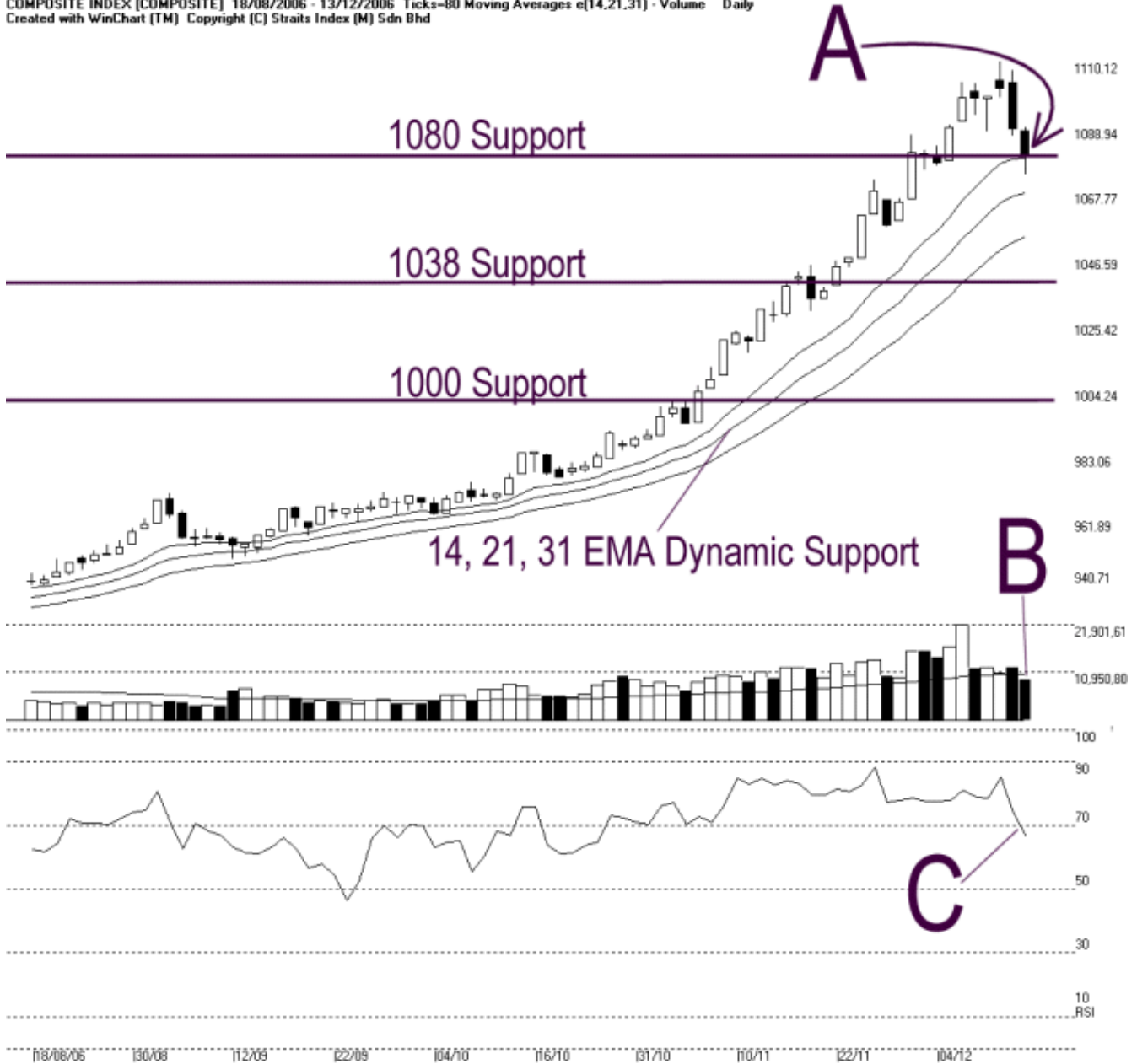




Straits Index (M) Sdn Bhd.
 WinChart Technical Analysis
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Open:1087.550 High:1088.940 Low:1073.560 Close:1079.600 -8.820(-0.8%) Volume:9,554,805 (-2739617,-22.3%)
 COMPOSITE INDEX [COMPOSITE] 18/08/2006 - 13/12/2006 Ticks=80 Moving Averages e[14,21,31] - Volume Daily
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Composite Index Daily Technical Analysis, 13/12/2006, by Straits Index (M) Sdn Bhd

KLCI continued its technical correction on Wednesday, ending the day 8.82 points lower to 1079.60 points. As pointed by A, the KLCI was still supported by the 1080 support level as well as the 14 days EMA dynamic support. Therefore, the 14, 21, 31 EMA is still serving as the dynamic support to the KLCI. Nonetheless, the KLCI is still in a consolidation stage with the 1038 points as the next support level. (Study A).

Total market volume on Wednesday ended 22.3% lower, and failed to break above the 40 days VMA level. This suggested that the market sentiment was weak as the market was likely participated. Although a lower volume during a consolidation stage is generally viewed as a normal, the KLCI is unlikely to resume to its uptrend based on the current volume level. (Study B)

As pointed by C, WinChart RSI fell below 70% level suggesting an end to the mid-term bullish market movement. When WinChart RSI fell below 70% level, the market movement for the mid-term would turn from bullish to neutral. If the KLCI was to stay sideways, expect the WinChart RSI to stay flat around the 50% level.(Study C)