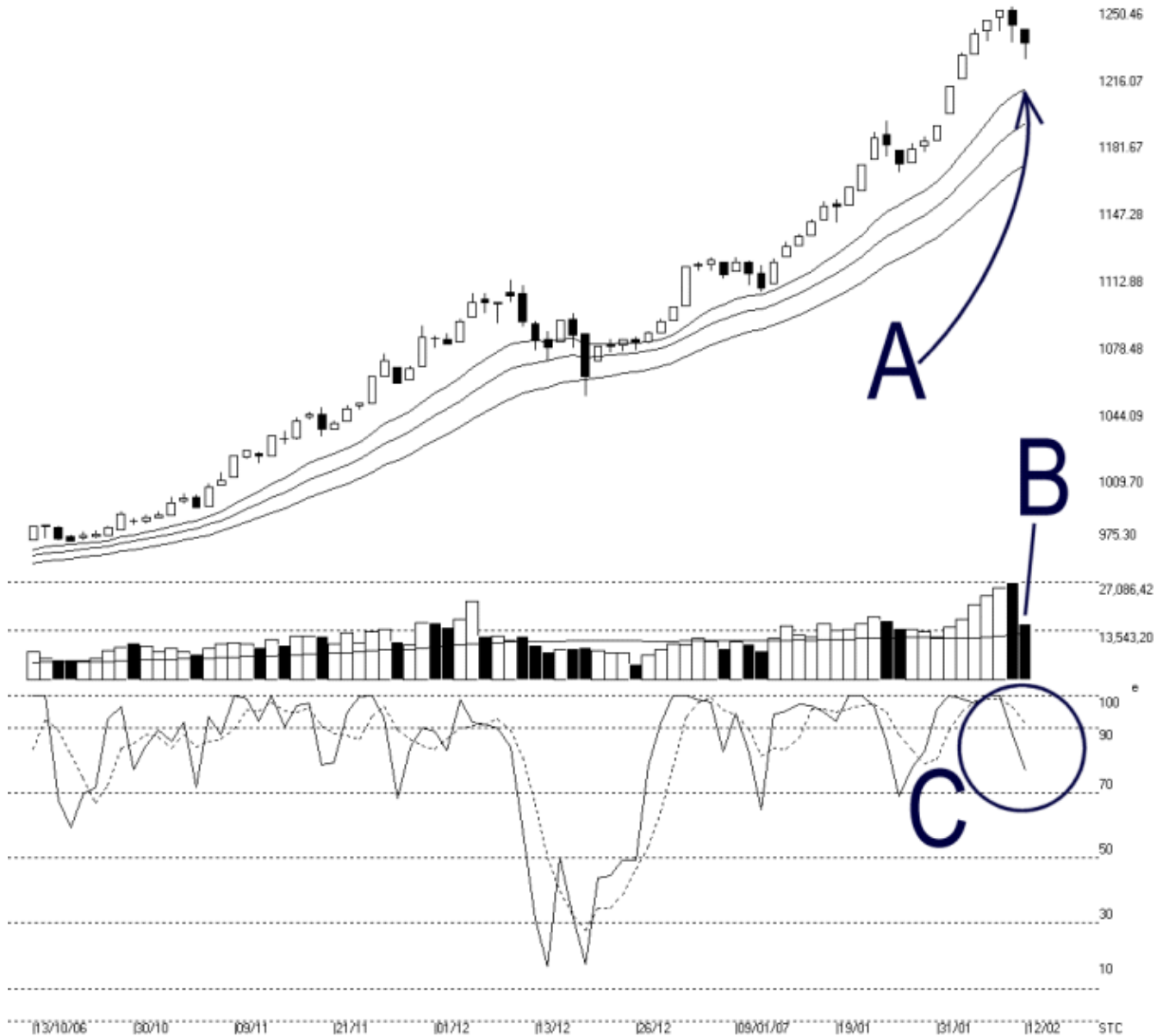




Straits Index (M) Sdn Bhd.
WinChart Technical Analysis
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Open:1238.710 High:1238.920 Low:1223.140 Close:1231.870 -9.000(-0.7%) Volume:15,424,015 (-1.16624E+07,-43.1%)
COMPOSITE INDEX [COMPOSITE] 13/10/2006 - 12/02/2007 Ticks=80 Moving Averages e[14,21,31] - Volume Daily
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Composite Index Daily Technical Analysis, 12/02/2007, by Straits Index (M) Sdn Bhd

KLCI continued its technical correction on Monday, ended 9 points to 1231.87 points. Immediate resistance to the KLCI is still at 1250.46 points while the 14, 21, 31 EMA is still serving as the dynamic support to the KLCI. At the moment, the KLCI is likely to stay sideways in its correction phase.

Total market volume on Monday fell 43.1%, with only 1.54 billion shares traded. This suggested that most market players remained sidelines while the KLCI is still at a consolidation stage. Therefore, there is still no bearish signal yet. Nevertheless, if volume continued staying lower, chances for the KLCI to resume its uptrend is thin. (Study B)

Stochastic %K continued falling, while managed to stay above 70% level. This suggested that the short-term market movement is at a correction, while still situated in a short-term bullish bias region. If Stochastic %K fell below 70% level, it shall be the first signal suggesting an end to the short-term bullishness. (Study C)