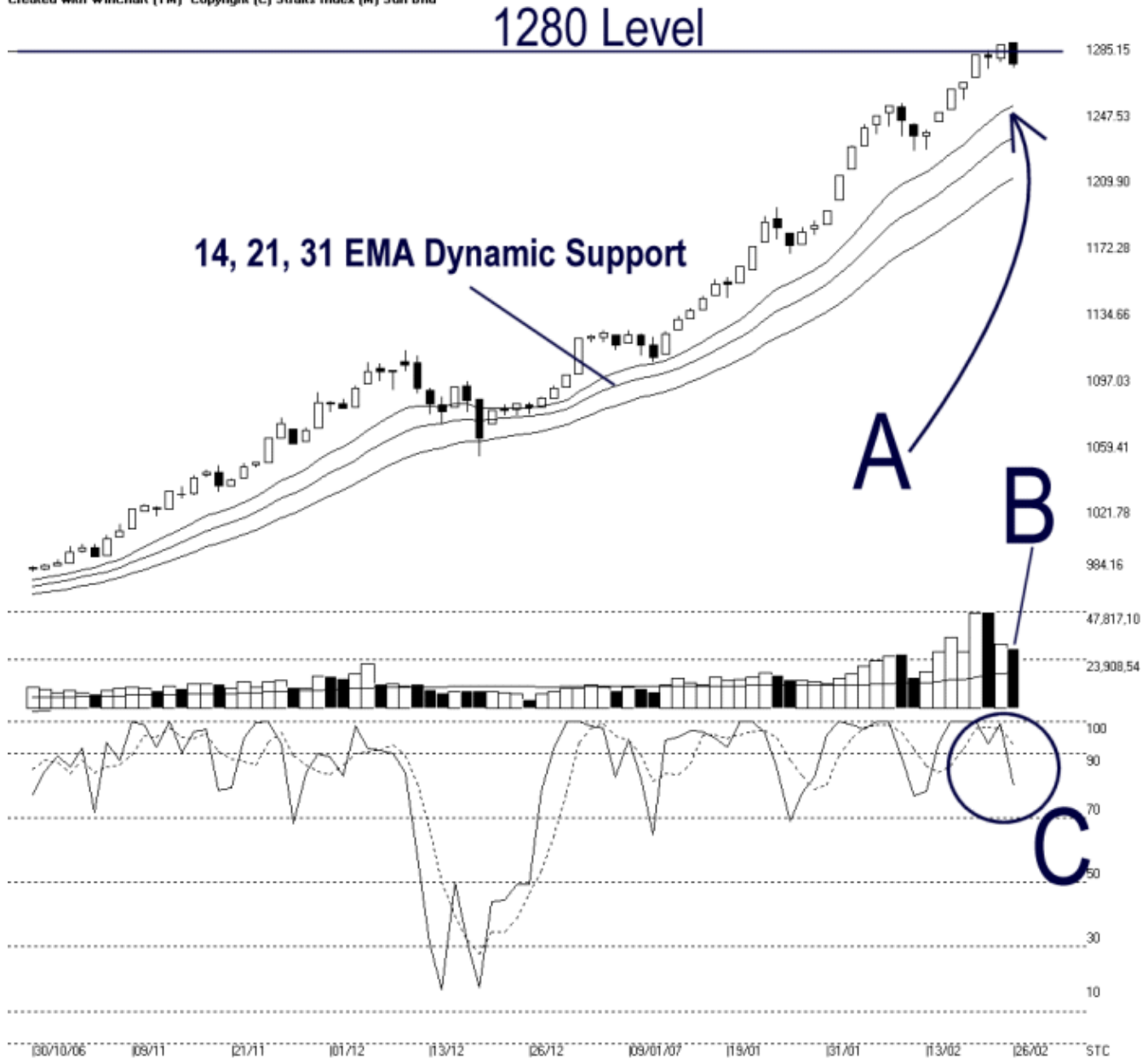




Straits Index (M) Sdn Bhd.  
WinChart Technical Analysis  
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Open:1285.080 High:1285.150 Low:1270.400 Close:1272.870 -10.600(-0.8%) Volume:29,457,608 (-2534625,-7.9%)  
COMPOSITE INDEX [COMPOSITE] 30/10/2006 - 26/02/2007 Ticks=80 Moving Averages e[14,21,31] - Volume Daily  
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### Composite Index Daily Technical Analysis, 26/02/2007, by Straits Index (M) Sdn Bhd

KLCI ended lower on Monday, failing to break above the 1280 resistance level. Therefore, the 1280 level shall remain as the immediate resistance to the KLCI. Mean while, as pointed by A, the rising 14, 21, 31 EMA shall continue serving as the dynamic support to the KLCI.

Total market volume declined 7.9% on Monday. It is usually viewed as a healthy correction signal

whenever the volume decline during the KLCI correction. However, the warning signal of the total market volume new high remained intact, suggesting that the risk for correction remained high. (Study B)

As circled by C, Stochastic %K line fell below 90% level, suggested a beginning of a technical correction signal. If the Stochastic could remained above 70% level after the correction, the market movement for the short-term shall remained bullish bias. However, if the Stochastic fell below 70% level, it would be a signal suggested an end to the short-term bullishness. (Study C)