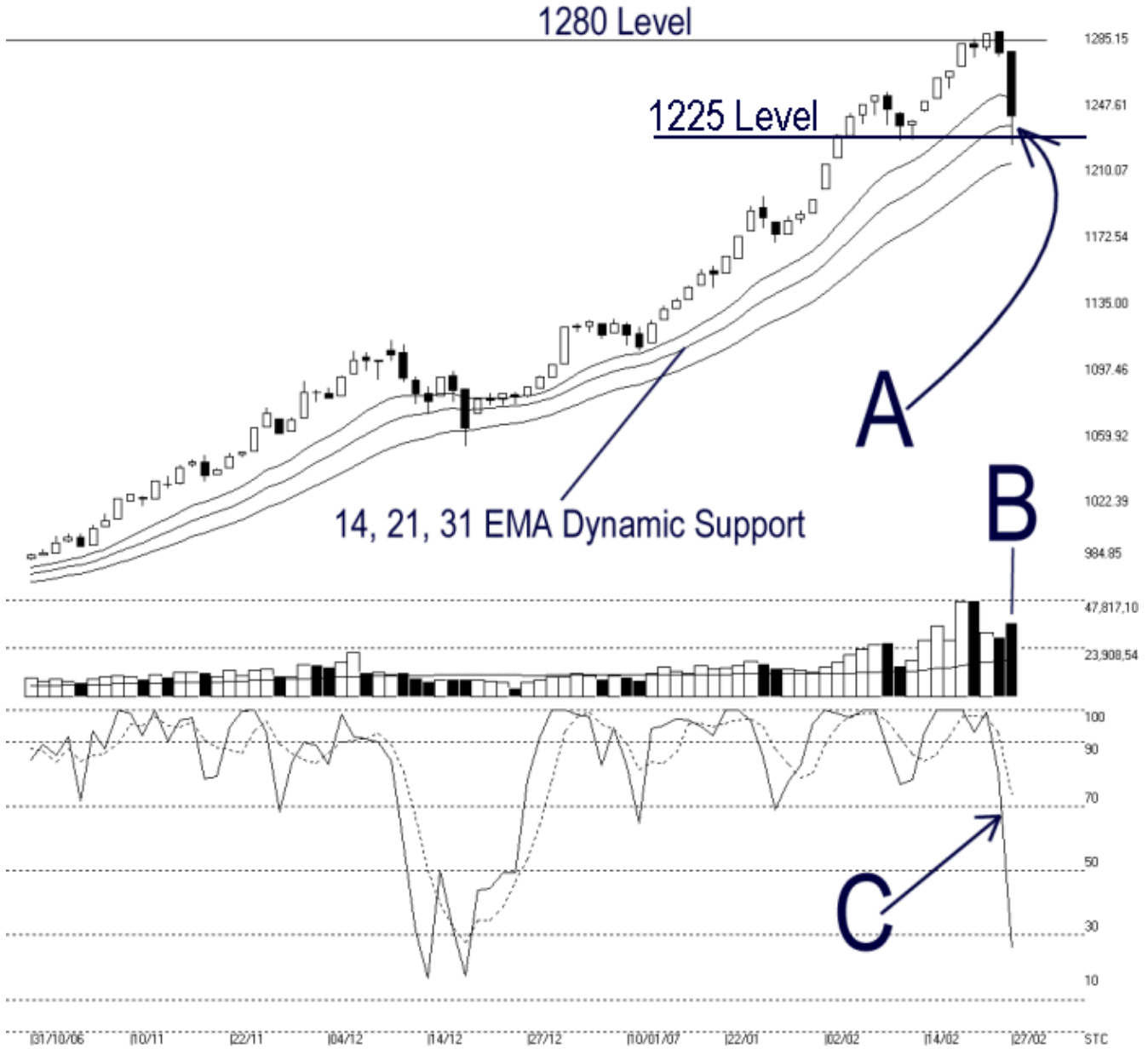




Straits Index (M) Sdn Bhd.
WinChart Technical Analysis
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Open:1273.430 High:1273.780 Low:1220.190 Close:1237.080 -35.790(-2.8%) Volume:36,993,464 (+7535856,25.6%)
 COMPOSITE INDEX [COMPOSITE] 31/10/2006 - 27/02/2007 Ticks=80 Moving Averages e[14,21,31] - Volume Daily 27-2-2007 17:56:39
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Composite Index Daily Technical Analysis, 28/02/2007, by Straits Index (M) Sdn Bhd

KLCI continued its correction on Wednesday with an opening gap. KLCI had a biggest falling range, ranging of 101.07 (-8.17%) since 12/01/1994, which had a falling range of 124.41 points. As shown on the chart above, the KLCI fell below the 14, 21, 31 EMA dynamic support, and therefore, it is crucial for the KLCI to return to above the 14, 21, 31 EMA, or else the KLCI would turn downtrend if it stays below the falling 14, 21, 31 EMA. (Study A)

Total market volume for Wednesday was 7.8% higher, with 3.99 billion shares traded. This suggested that the market is still resilient. However, the volume must stay strong in order for the KLCI to rebound . Or else, once the market participation has faded, the market movement is likely to stay weak. (Study B)

As pointed by C, Stochastic %K rebounded after touching briefly below 30% level. At the moment, Stochastic is showing a neutral short-term market movement. If Stochastic fell below 30% level, the short-term market movement would be bearish bias.