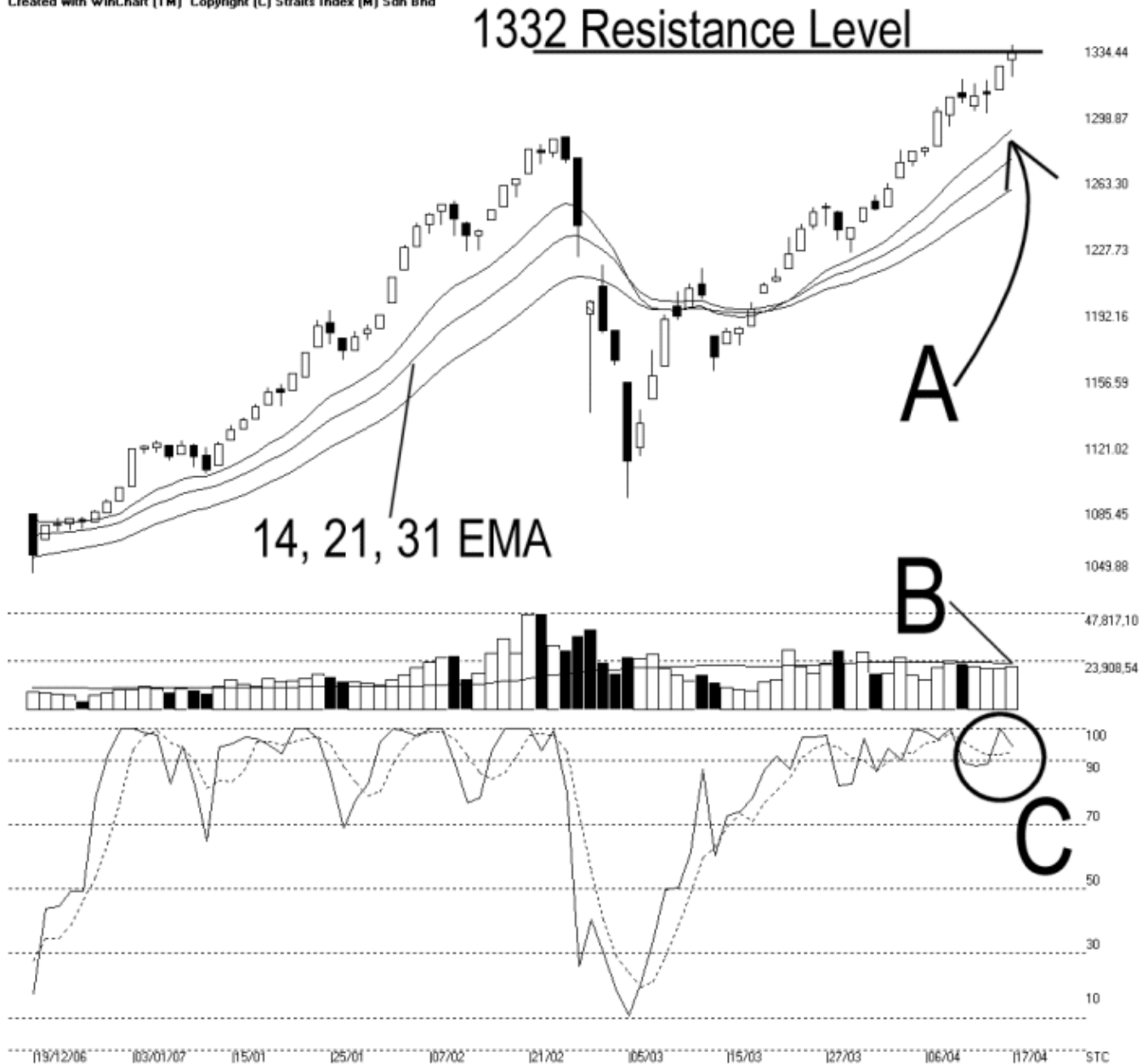




Straits Index (M) Sdn Bhd.
 WinChart Technical Analysis
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Open:1326.640 High:1334.440 Low:1316.980 Close:1330.260 +7.350(0.6%) Volume:21,654,633 (+1318691,6.5%)
 COMPOSITE INDEX [COMPOSITE] 19/12/2006 - 17/04/2007 Ticks=80 Moving Averages e[14,21,31] - Volume Daily
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Composite Index Daily Technical Analysis, 17/04/2007, by Straits Index (M) Sdn Bhd

The KLCI touched an all time new high with its intra-day high at 1334.44 points. However, as shown on the chart above, the KLCI closed at the border line of the 1332 resistance, thus the break-out is not yet confirmed. Mean while, as pointed by A, the 14, 21, 31 EMA is still serving as the dynamic support

to the KLCI while the KLCI is cautiously testing the important 1332 psychological resistance level.

Total market volume inched up slightly on Tuesday, gaining 6.5%. However, as pointed by B, total market volume remained below 40 days VMA, suggested that the overall market is still very cautious, as most investors are still sidelined before the KLCI could successfully take out the major resistance. . (Study B)

Stochastic, as circled by C, is still situated above 90% level, which is the short-term over-bought region. Based on the Stochastic reading, the KLCI is indeed over-heated for the short-term, and therefore, the risk of a technical correction is still high. However, provided that the Stochastic can stay above 70% level, the market movement for the short-term remained bullish bias. (Study C)