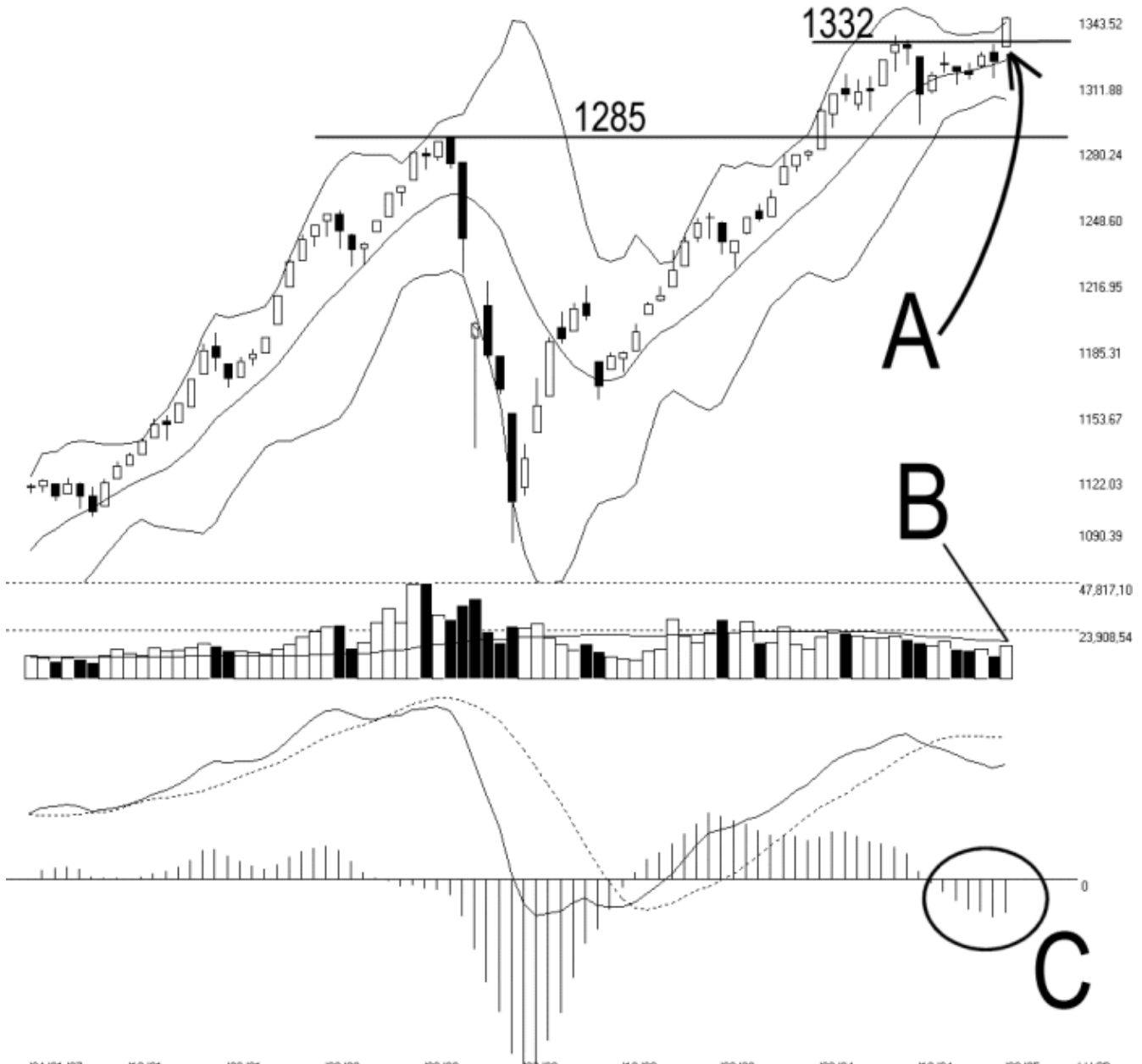




Straits Index (M) Sdn Bhd.
 WinChart Technical Analysis
 Tel: (03) 8941 6828
 Fax: (03) 8941 9828
 email: info@straitsindex.com

Open:1329.130 High:1343.520 Low:1329.130 Close:1342.790 +20.540(1.6%) Volume:16.631.676 (+4994051.42.9%)
 COMPOSITE INDEX [COMPOSITE] 04/01/2007 - 03/05/2007 Ticks=80 Bollinger Band(10,2) 22% - Volume Daily
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Composite Index Daily Technical Analysis, 03/05/2007, by Straits Index (M) Sdn Bhd

As indicated by A, the Bollinger Band width expanded 22% on Thursday with the KLCI situated above the Bollinger middle band. The expansion of the Bollinger Band width suggests an increase of volatility, and with the KLCI staying above the Bollinger middle band, the volatility is likely to be

upside biased. Therefore, provided that the Bollinger Band width can remain open, the upside movement is likely to continue.

In addition, the KLCI also broke above the 1332 resistance level, and marked an all time new high at 1343.52 points before closing at 1342.79 points. Therefore, the 1332 is now the immediate support level to the KLCI.

Despite the break out of the 1332 resistance and the Bollinger Band bullish signal, total market volume was still insignificant. Nevertheless, in order to sustain the bullish sentiment, we should have total market volume staying above the 40-day VMA level. (Study B)

As circled at C, the MACD histogram ticked up and formed a rounding bottom. This suggested a weakening of the bearish MACD signal, and therefore, the short term movement for the KLCI is positive. As long as the histogram is rising, the short term movement for the KLCI shall improve. (Study C)