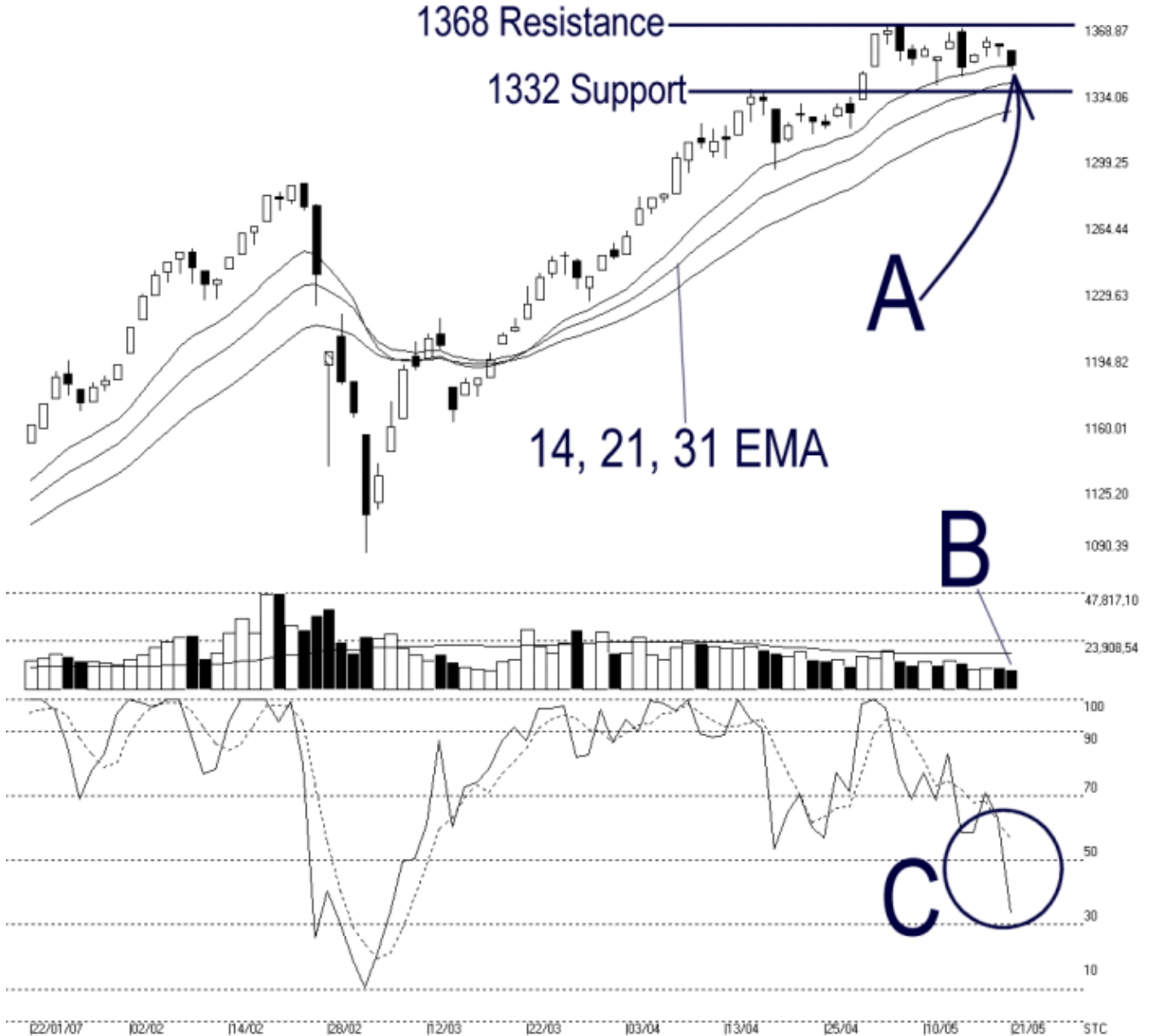




Straits Index (M) Sdn Bhd.  
WinChart Technical Analysis  
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Open:1354.900 High:1354.900 Low:1344.080 Close:1347.170 -9.670(-0.7%) Volume:9,769,730 (-1226844,-11.2%)  
COMPOSITE INDEX [COMPOSITE] 22/01/2007 - 21/05/2007 Ticks=80 Moving Averages e[14,21,31] - Volume Daily  
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### Composite Index Daily Technical Analysis, 21/05/2007, by Straits Index (M) Sdn Bhd

As shown on the chart above, the KLCI remains in its narrow range consolidation between the 1368 resistance and the 1332 support. As indicated by A, the KLCI tested the 14-day EMA dynamic support, and managed to closed precisely at the 14-day EMA. Therefore, the 14, 21, 31 EMA is still supporting

the KLCI.

Nevertheless, it pays to monitor any break out of the KLCI from this narrow consolidation, for it would be an end to this consolidation. If the KLCI should break below the 1332 support, the next support would be found at the 1285 level. If the KLCI should break above the 1368 resistance, it should come with a significant increase of volume.

Total market volume on Monday was 11.2% lower, and continue staying below the 40-day VMA level. This suggests that the market was indeed relatively quiet and therefore, with such low inflow of capital, the KLCI is expected to stay weak. (Study B)

As circled at C, the Stochastic %K falls below the 50% level while heading to the 30% level. If the Stochastic %K should fall below the 30% level, it would be a short term bearish signal. If the %D should also fall below the 30% level, it shall confirm the %K signal, and the market movement for the KLCI is likely to be bearish biased. (Study C)