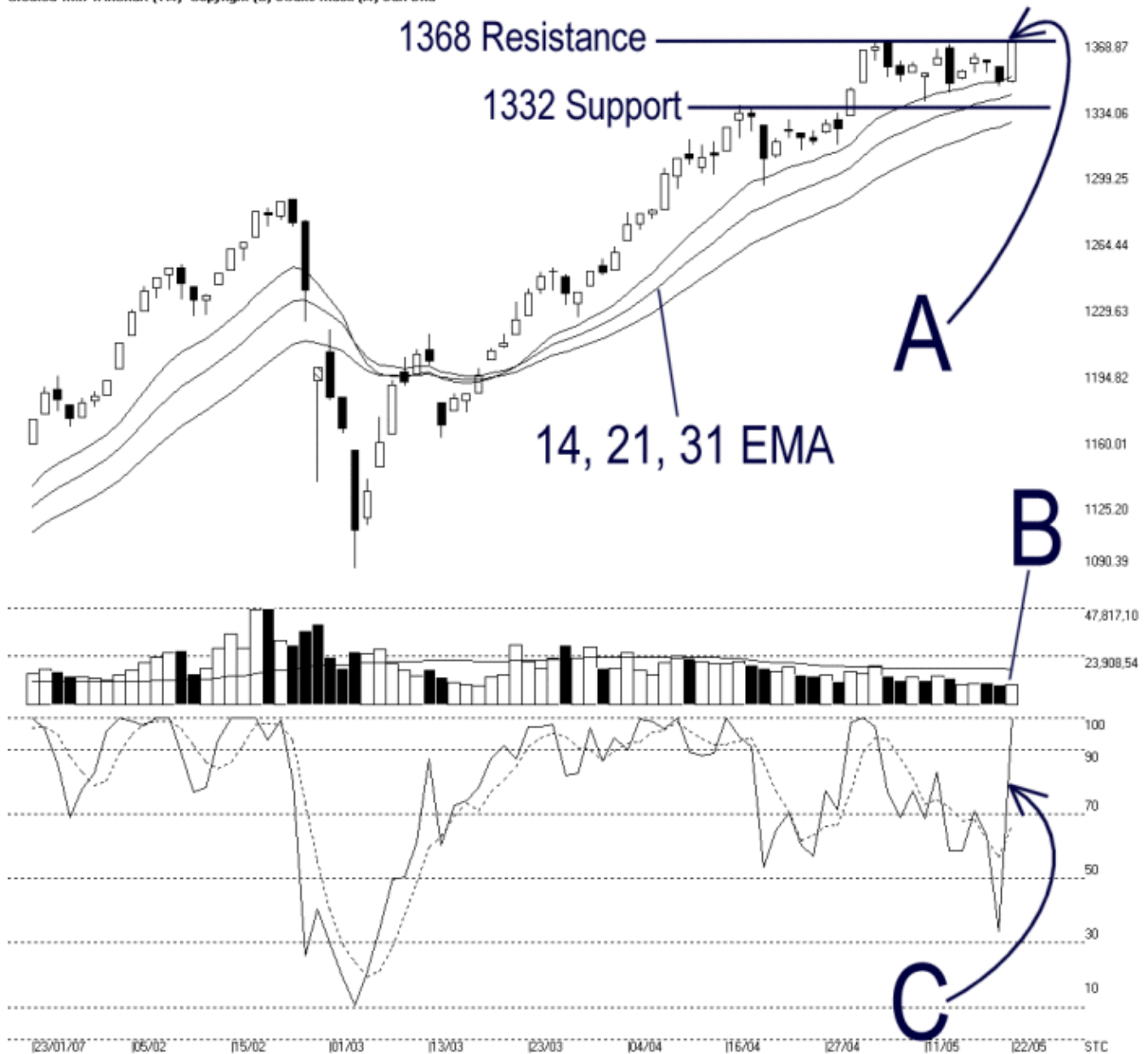




Straits Index (M) Sdn Bhd.
WinChart Technical Analysis
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Open:1346.980 High:1367.510 Low:1346.090 Close:1367.510 +20.340(1.5%) Volume:9.754.511 (-15219,-0.2%)
COMPOSITE INDEX [COMPOSITE] 23/01/2007 - 22/05/2007 Ticks=80 Moving Averages e(14,21,31) - Volume Daily 22-5-2007 12:51:01
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Composite Index Daily Technical Analysis, 22/05/2007, by Straits Index (M) Sdn Bhd

As indicated by A, the KLCI tested the 1368 resistance on Tuesday, closing 20.34 points higher to 1367.51 points. At the moment, the 1368 level is still the current resistance, and the support remains at the 14, 21, 31 EMA dynamic support.

If the KLCI should break above the 1368 resistance, a significant increase of volume is needed. As indicated by B, total market volume for Tuesday only stood at around 975 million shares. Volume remains further below the 40-day VMA level, suggesting that most investors are still cautiously waiting at the sideline. Nevertheless, volume must break above the 40-day VMA level to show that the market participation is sufficient for the possible breakout. (Study B)

Stochastic %K rose above the 70% level, re-entering the short term bullish region. If the %D line should rise above the 70% level with the %K remains above the 70% level, the market movement for the short term shall be bullish biased. (Study C)