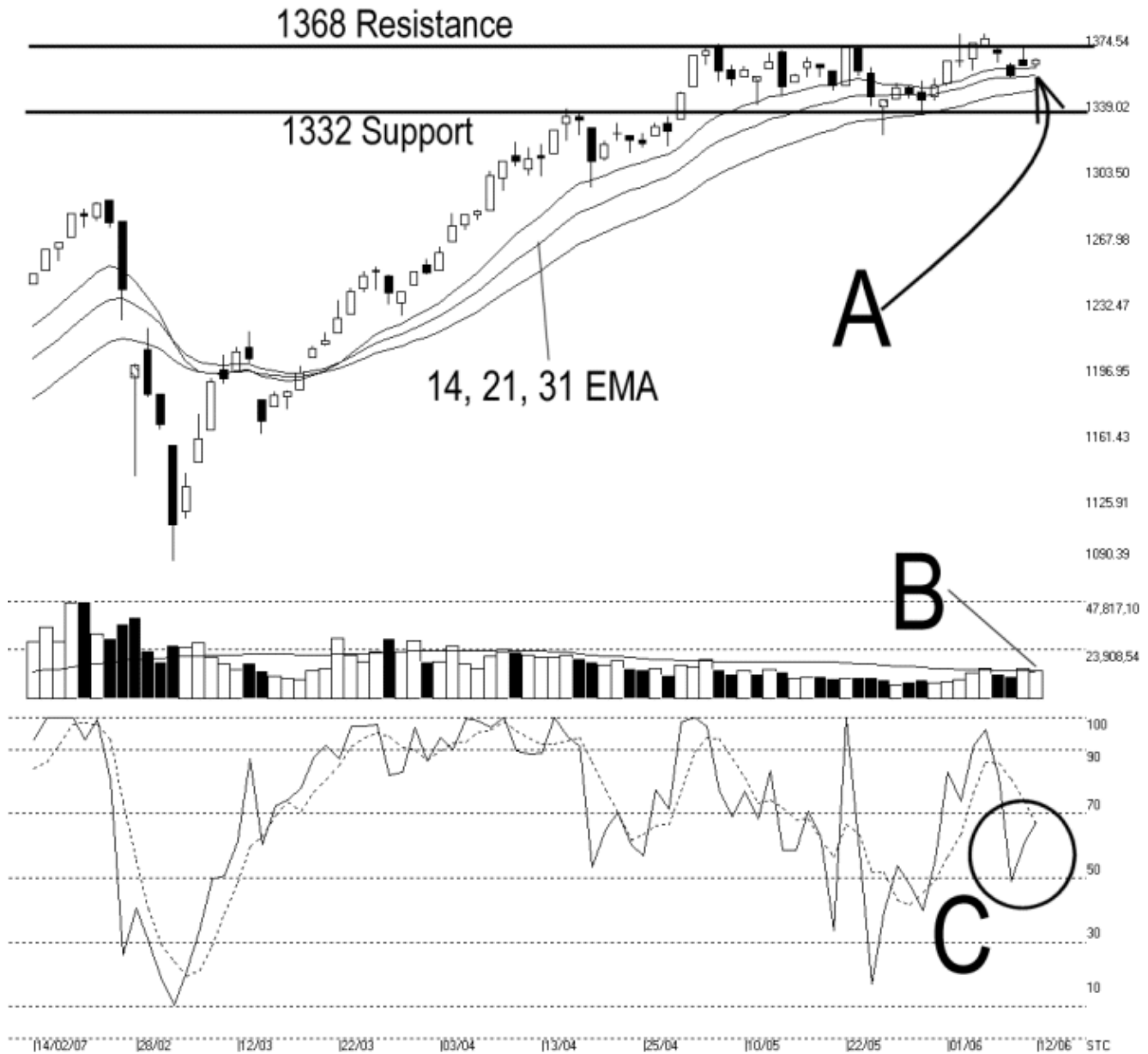




Straits Index (M) Sdn Bhd.
WinChart Technical Analysis
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Open:1358.550 High:1361.300 Low:1355.680 Close:1360.580 +2.920(0.2%) Volume:13,798,776 (-1049941,-7.1%)
 COMPOSITE INDEX [COMPOSITE] 14/02/2007 - 12/06/2007 Ticks=80 Moving Averages e(14,21,31) - Volume Daily
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Composite Index Daily Technical Analysis, 12/06/2007, by Straits Index (M) Sdn Bhd

On Tuesday, the KLCI ended marginally higher with a 2.92 points gain, while remains sideways in the trading range of the 1368 resistance and the 1332 support. Meanwhile, as indicated by A, the 14, 21, 31 EMA is still serving as the dynamic support to the KLCI.

Total market volume for the day was 7.1% lower while still barely staying above the 40-day VMA level. Once again, if the KLCI should break above the 1368 resistance, it should be accompanied by a significant increase of volume. Other wise, a break out with thin volume is less convincing.

As circled at C, the Stochastic %D line fell below the 70% level, and therefore, it is suggesting a short term neutral signal. In other words, the short term movement for the KLCI is at neutral, until the Stochastic can break above the 70% level successfully, the short term signal shall resume to bullish biased. (Study C)