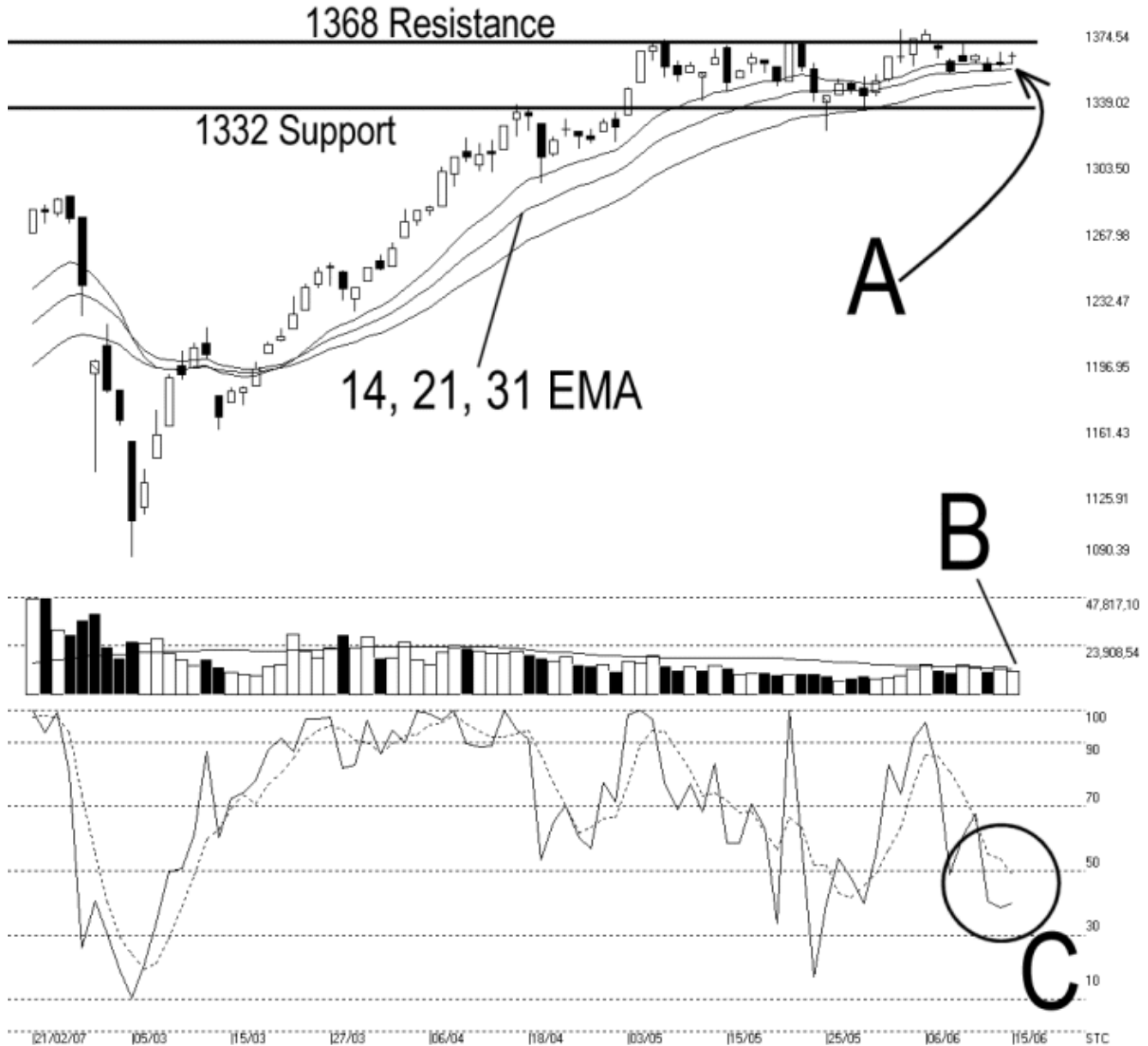




Straits Index (M) Sdn Bhd.
WinChart Technical Analysis
Tel: (03) 8941 6828
Fax: (03) 8941 9828
email: info@straitsindex.com

Open:1360.550 High:1362.580 Low:1355.760 Close:1360.650 +3.470(0.3%) Volume:11,595,809 [-1947473,-14.4%]
COMPOSITE INDEX [COMPOSITE] 21/02/2007 - 15/06/2007 Ticks=80 Moving Averages e[14,21,31] - Volume Daily
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Composite Index Daily Technical Analysis, 18/06/2007, by Straits Index (M) Sdn Bhd

On Monday, the KLCI closed at its daily high at 1372.28 points, up 11.63 points. As shown on the chart above, the KLCI breaks above the 1368 resistance by margin, and the break out is yet to be confirmed. Nevertheless, as indicated by A, the 14, 21, 31 EMA is still serving as the dynamic support

to the KLCI; and therefore, if the KLCI should break above the 1368 resistance successfully, the rising EMA shall be applied as the trailing stop level.

Despite the KLCI tested the 1368 resistance again on Monday, the total market volume only increased 17.1% while barely staying above the 40-day VMA level. If the volume should continue increase and remains above the 40-day VMA level, the market sentiment is likely to improve, and therefore, chances for the KLCI to break above the resistance is also higher. (Study B)

As circled at C, the Stochastic %K line breaks above the 70% level on Monday, triggered an unconfirmed short term bullish signal. If the %D line should break above the 70% level, it shall confirm the %K signal, and the market movement for the short term would turn to bullish biased. (Study C)