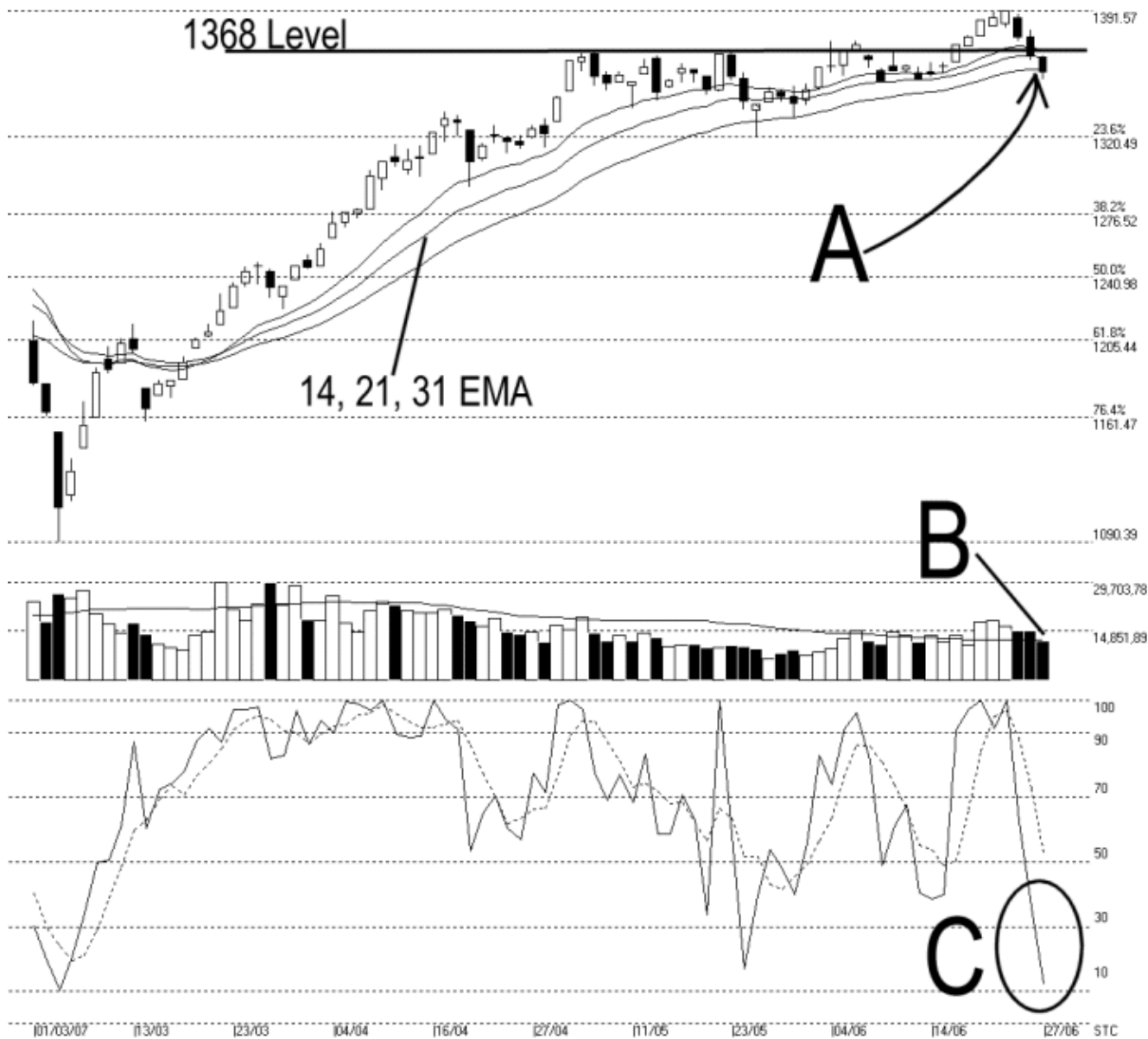




**STRAITS
index**

Straits Index (M) Sdn Bhd.
WinChart Technical Analysis
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Open:1365.260 High:1366.200 Low:1352.740 Close:1357.430 -9.560(-0.7%) Volume:12,006,312 (-3106315,-20.6%)
 COMPOSITE INDEX [COMPOSITE] 01/03/2007 - 27/06/2007 Ticks=82 Moving Averages e(14,21,31) - Volume Daily (Fibo)
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Composite Index Daily Technical Analysis, 27/06/2007, by Straits Index (M) Sdn Bhd

As indicated by A, the KLCI fell another 9.56 points on Wednesday to close at 1357.43 points. At the moment, the KLCI is testing the 14, 21, 31 EMA dynamic support. If the KLCI should fail to rebound from the dynamic support, the outlook for the KLCI would turn negative. Mean while, the KLCI also fell below the 1368 level. (Study A) As shown on the chart above, the next support level for the KLCI is at the 1320 WinChart Automatic Fibonacci Retracement level.

Total market volume fell 20.6% on Wednesday, with only around 12 million lots traded. Meanwhile, total market volume was also below the 40-day VMA level, suggesting a decline in the market participation, and the current participation of the market is relatively insufficient to sustain the uptrend. In another word, if the volume should remains below the 40-day VMA level, the market is less likely to regain its strength. (Study B)

As circled at C, the Stochastic %K now fell below the 30% level, triggering an unconfirmed short term bearish signal. If the Stochastic %D line should fall below the 30% level, it would confirm the %K signal and the market movement for the short term would turn to bearish biased. (Study C)