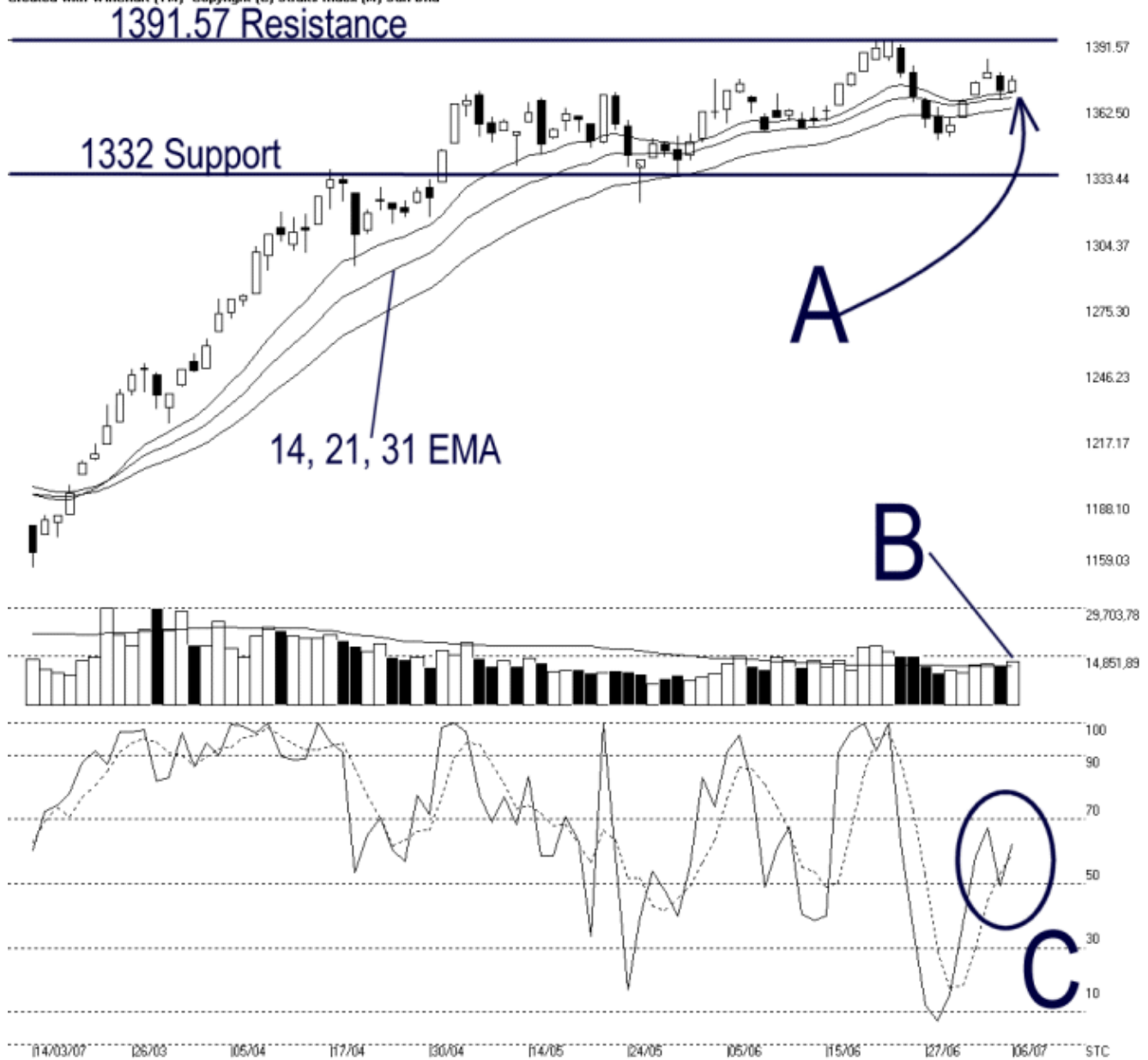




Straits Index (M) Sdn Bhd.
WinChart Technical Analysis
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Open:1368.820 High:1375.640 Low:1367.800 Close:1373.840 +4.540(0.3%) Volume:13,307,326 (+1203097.9%)
COMPOSITE INDEX [COMPOSITE] 14/03/2007 - 06/07/2007 Ticks=80 Moving Averages e(14,21,31) - Volume Daily
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Composite Index Daily Technical Analysis, 05/07/2007, by Straits Index (M) Sdn Bhd

The KLCI continued its sideways movement on Friday, closing 5.12 points higher to 1374.42 points. As shown on the chart above, the trading range of the KLCI between the 1332 support and the 1391.57 resistance remains intact. Meanwhile, as indicated by A, the 14, 21, 31 EMA is still serving as the dynamic support to the KLCI. (Study A)

Total market volume increased 9.9% on Friday, with the volume staying slightly above the 40-day VMA level. If the volume should continue increase and stay above the 40-day VMA level, the outlook for the KLCI is likely to improve, and there will be a better chance for the KLCI to test the 1391.57 resistance. (Study B)

As circled at C, the Stochastic is still showing a neutral signal. (between 30% - 70%) Therefore, the market movement for the short term is expected to be at neutral. If the Stochastic should break above the 70% level, it would be a short term bullish signal. On the other hand, if the Stochastic should break below the 30% level, it would be a short term bearish signal. (Study C)