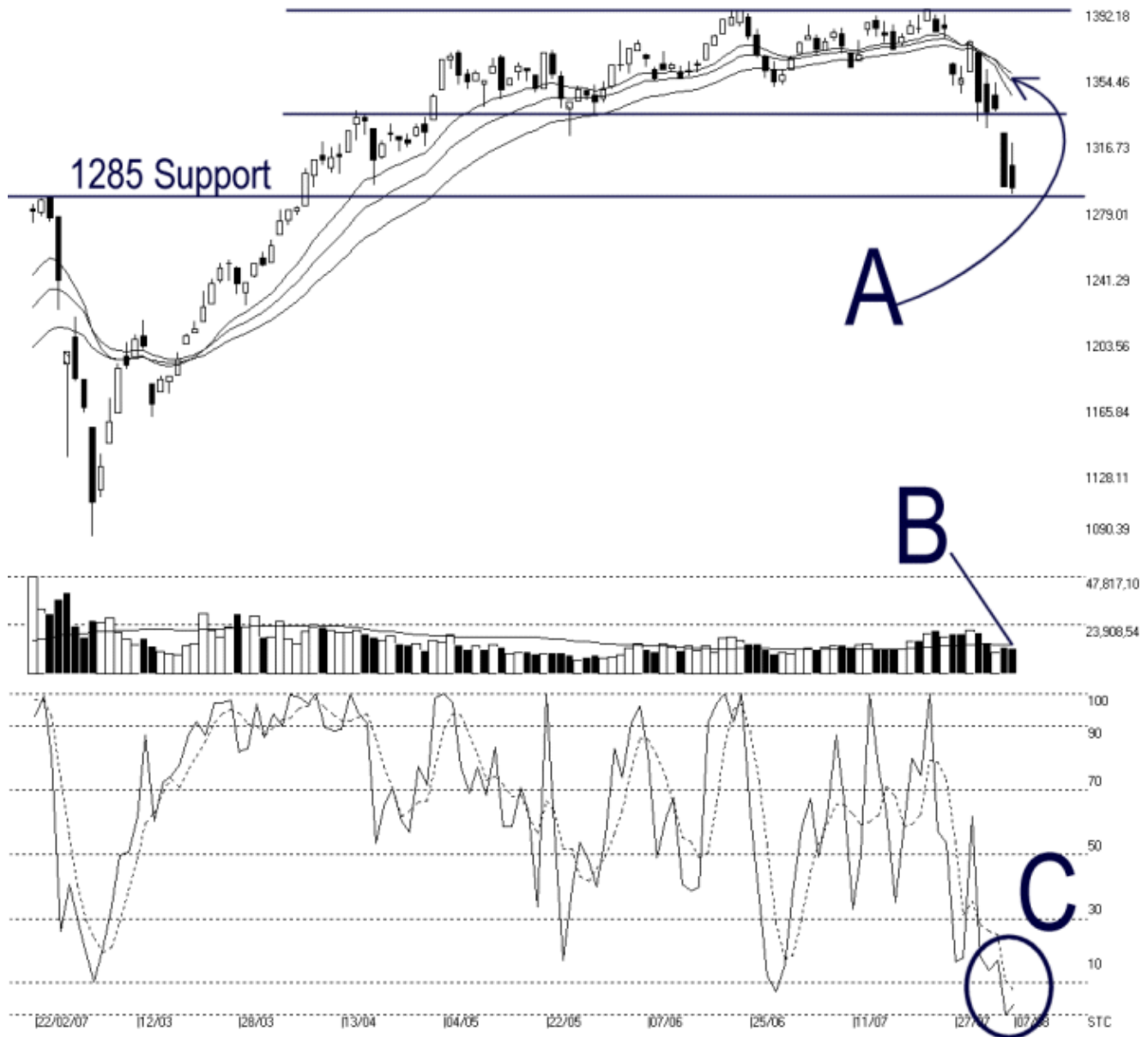




Straits Index (M) Sdn Bhd.
WinChart Technical Analysis
Tel: (03) 8941 6828
Fax: (03) 8941 9828
email: info@straitindex.com

Open:1303.080 High:1315.720 Low:1286.540 Close:1290.130 -0.770(-0.1%) Volume:12,513,927 (-499748,-3.8%)
 COMPOSITE INDEX [COMPOSITE] 22/02/2007 - 07/08/2007 Ticks=116 { Indices } Moving Averages e(14,21,31) - Volume Daily
 Created with WinChart (TM) Copyright (C) Straits Index (M) Sdn Bhd



Composite Index Daily Technical Analysis, 07/08/2007, by Straits Index (M) Sdn Bhd

Despite the technical rebound on Tuesday morning, the KLCI ended lower, losing 0.77 of a point to 1290.13 points. As shown on the chart above, the KLCI was supported by the 1285 support level. However, as indicated by A, the 14, 21, 31 EMA is still falling and continue serving as the dynamic resistance. If the KLCI should continue staying below the falling dynamic resistance, the outlook for the KLCI shall remains bearish biased. (Study A)

As indicated by B, total market volume is still below the 40-day VMA level. This suggests that the overall market participation was relatively low; thus implying that most investors are staying on the sidelines. Therefore, if the volume should continue staying below the 40-day VMA level, the market sentiment is likely to be weak. (Study B)

As circled at C, the Stochastic is now staying below the 10% level, which is the short term over-sold region. This suggests that the KLCI short term is now over-sold, thus a technical rebound is expected to take place. However, as long as the Stochastic is still staying below the 30% level, the short term (Study C)