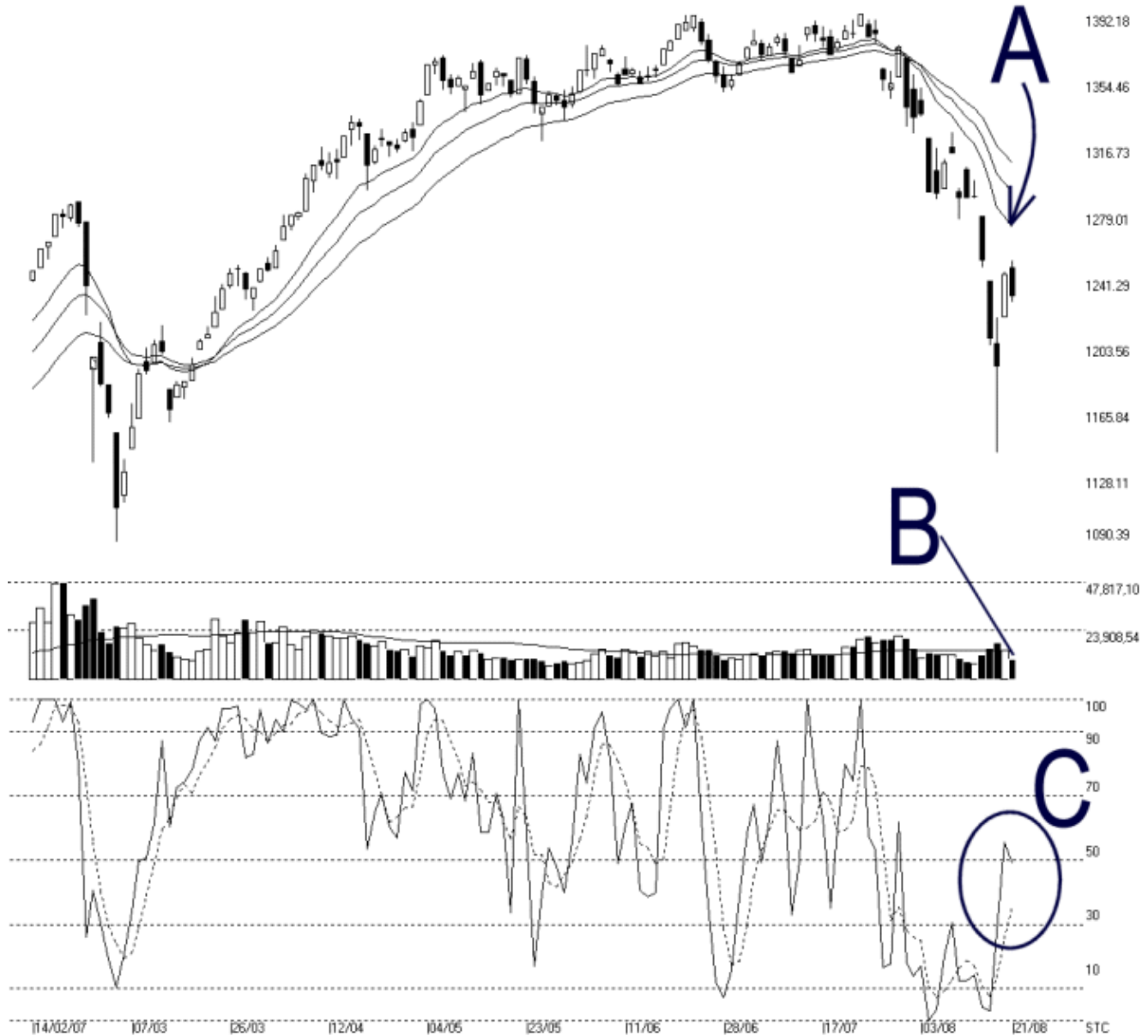




Straits Index (M) Sdn Bhd.
WinChart Technical Analysis
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Open:1247.610 High:1251.020 Low:1227.880 Close:1231.480 -11.910(-1.0%) Volume:10,085,321 (-4362836,-30.2%)
 COMPOSITE INDEX [COMPOSITE] 14/02/2007 - 21/08/2007 Ticks=130 { Indices } Moving Averages e(14,21,31) - Volume Daily
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Composite Index Daily Technical Analysis, 21/08/2007, by Straits Index (M) Sdn Bhd

As shown on the chart above, the KLCI retreated after its technical rebound on Monday. As indicated by A, the KLCI remains resisted by the falling 14, 21, 31 EMA, which is still serving as the dynamic resistance to the KLCI. Therefore, the immediate outlook for the KLCI is still bearish biased.

As indicated by B, total market volume on Tuesday was below the 40-day VMA level. This suggests

that the market participation was relatively light. In other words, the relatively lower volume also suggests a lack of market inflow of fresh capital. Therefore, without sufficient fresh inflow of capital and investors, the sentiment for the KLCI is likely to remain weak.

As circled at C, the Stochastic %D line breaks above the 30% level, confirming the %K line signal. Therefore, the Stochastic is showing a short term neutral signal. However, because the Stochastic is still staying below the 50% level, therefore, there is still as slight bearish biased signal. (Study C)