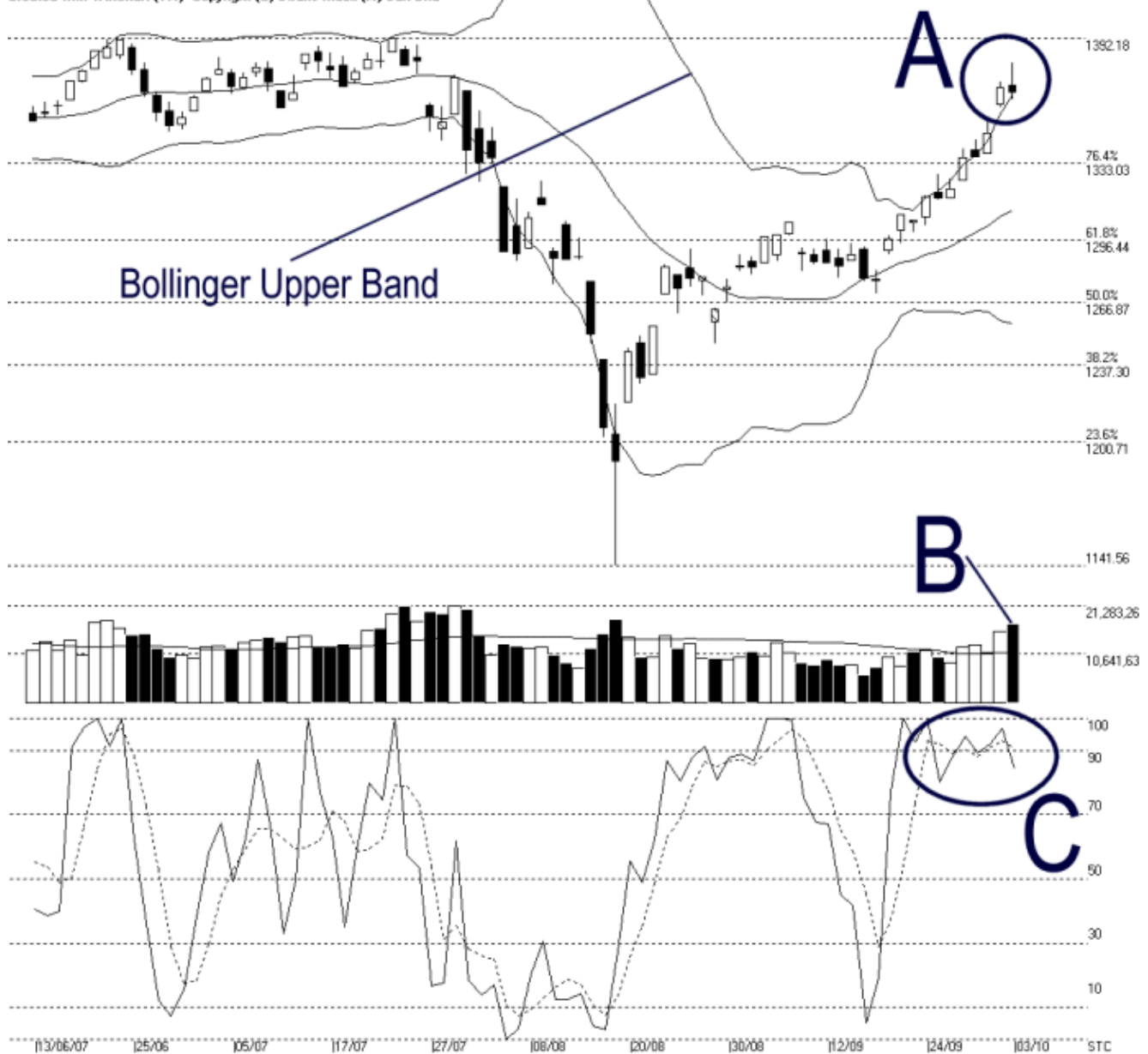




Straits Index (M) Sdn Bhd.
WinChart Technical Analysis
Tel: (03) 8941 6828
Fax: (03) 8941 9828
email: info@straitsindex.com

Open:1369.820 High:1380.290 Low:1363.310 Close:1366.960 -1.760(-0.1%) Volume:17,409,043 (+1670475,10.6%)
COMPOSITE INDEX [COMPOSITE] 13/06/2007 - 03/10/2007 Ticks=80 (Indices)-Bollinger Band(20,2) 11% - Volume Daily (Fibo)
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Composite Index Daily Technical Analysis, 03/10/2007, by Straits Index (M) Sdn Bhd

As circled at A, the KLCI closed marginally lower on Wednesday despite hitting a daily high at 1380.29 points. Still, the KLCI is now above the 20-day Bollinger Upper Band, which suggests that the KLCI is now over-heated. Therefore, there shall be a pull-back effect as a form of technical correction. Nevertheless, if the KLCI should remains supported by the rising 14, 21, 31 EMA, the outlook shall

remains bullish biased. Resistance for the KLCI is seen at the all time high of 1392.18 points.

As indicated by B, total market volume increased another 10.6%, and volume remains above the 40-day VMA level. This shows that the market participation is now healthy, and if the KLCI should remain supported by the rising 14, 21, 31 EMA, volume above the 40-day VMA level shall help sustain the bullish sentiment.

As circled at C, the Stochastic %K falls marginally below the 90%, which could suggest a beginning of a short term technical correction. Nevertheless, if the Stochastic should remain above the 70% level, the market movement for the short term shall remain bullish biased.