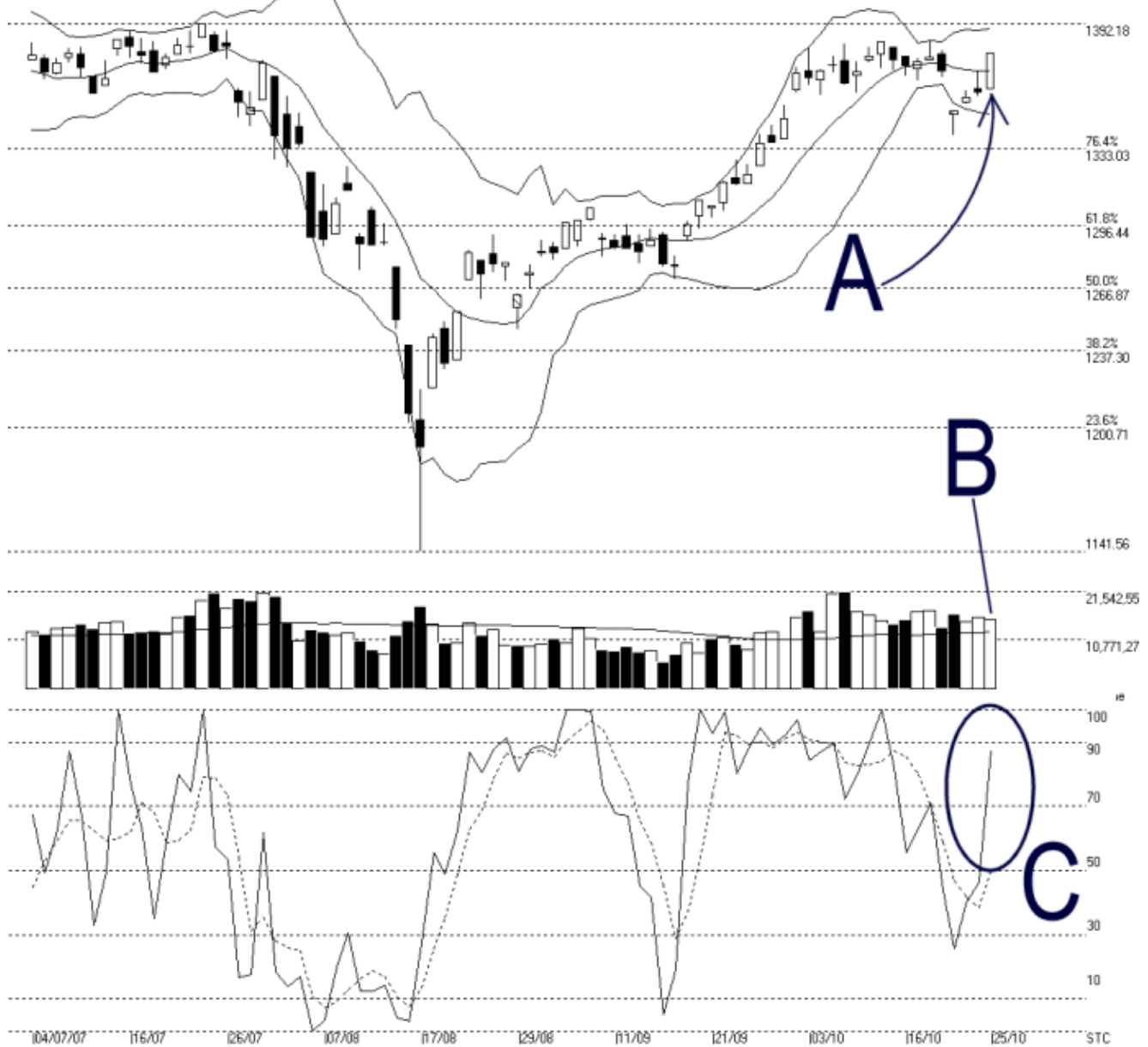




Straits Index (M) Sdn Bhd.
WinChart Technical Analysis
Tel: (03) 8941 6828
Fax: (03) 8941 9828
email: info@straitsindex.com

Open:1361.450 High:1378.270 Low:1361.450 Close:1378.270 +18.440(1.4%) Volume:15,289,361 (-628834,-4.0%)
COMPOSITE INDEX [COMPOSITE] 04/07/2007 - 25/10/2007 Ticks=80 (Indices) Bollinger Band(10,2) 4% - Volume Daily (Fibo)
Created with WinChart (TM) Copyright (C) Straits Index (M) Sdn Bhd



Composite Index Daily Technical Analysis, 25/10/2007, by Straits Index (M) Sdn Bhd

As indicated by A, the KLCI managed to break above the Bollinger Middle Band. If the KLCI should remain above the Bollinger Middle Band while the Bollinger Bands Width continue to expand, there is a better chance for the KLCI to resume its positive movement. However, the major resistance remains at the 1392.18 level. Therefore, until the major overhead resistance is successfully taken out, the upside

room for the KLCI is still limited.

As indicated by B, total market volume remains above the 40-day VMA level, suggesting that the overall market participation is still good enough. Nevertheless, breaking above the major resistance shall require a sufficient inflow of new capital, thus a continue increase of market volume. Otherwise, chances breaking the resistance with weak volume is usually low.

As circled at C, the Stochastic %K line rebounded strongly, breaking above the 70% level, and entered the short term bullish region. However, this signal is yet to be confirmed. If the Stochastic %D line should break above the 70% level, it would confirm the %K line signal, and the short term market movement for the KLCI would turn to bullish biased.