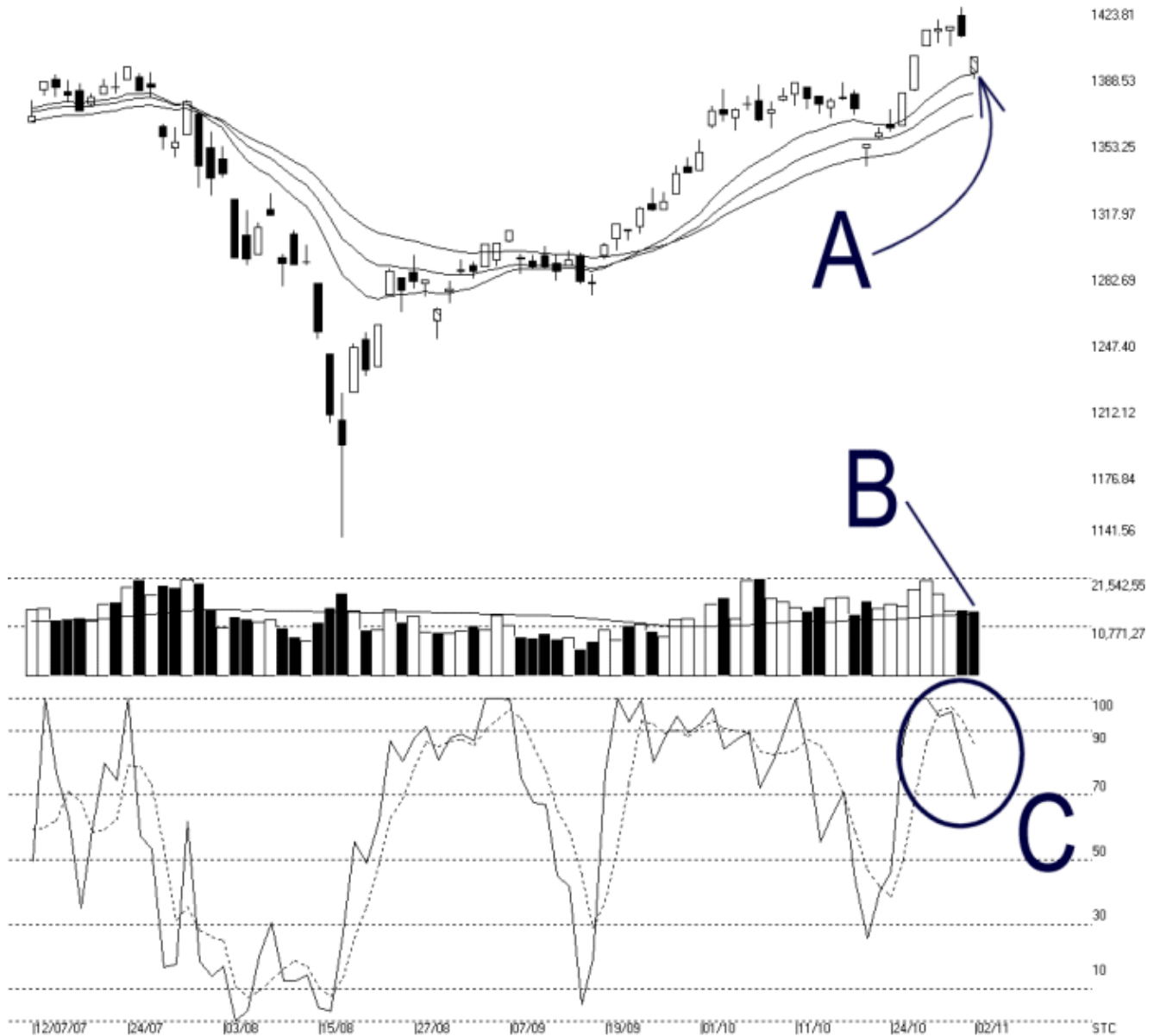




Straits Index (M) Sdn Bhd.
WinChart Technical Analysis
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Open:1389.310 High:1397.480 Low:1385.850 Close:1397.480 -11.680(-0.8%) Volume:14,272,555 (-428138,-2.9%)
COMPOSITE INDEX [COMPOSITE] 12/07/2007 - 02/11/2007 Ticks=80 { Indices } Moving Averages e(14,21,31) - Volume Daily
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Composite Index Daily Technical Analysis, 02/11/2007, by Straits Index (M) Sdn Bhd

The KLCI gapped down on Friday as the US market ended lower. However, as indicated by A, the KLCI managed to rebound from the 14, 21, 31 EMA, and therefore, the 14, 21, 31 EMA is still serving as the dynamic support for the KLCI. If the KLCI should successfully rebound from the 14, 21, 31 EMA, the uptrend for the KLCI shall remain intact.

Total market volume declined 2.9% on Friday, while staying marginally above the 40-day VMA level. If the KLCI should continue its technical correction, a lower volume is viewed as a healthy signal. However, if the KLCI should resume its uptrend, volume must increase to sustain the bullish movement.

As circled at C, the Stochastic %K line fall below the 70% by margin while the Stochastic %D remains above the 70% level. Therefore, the Stochastic is still suggesting a short term bullish signal. If the Stochastic %D line should fall below the 70% level, the short term movement for the 2nd board index would turn from bullish biased to neutral.