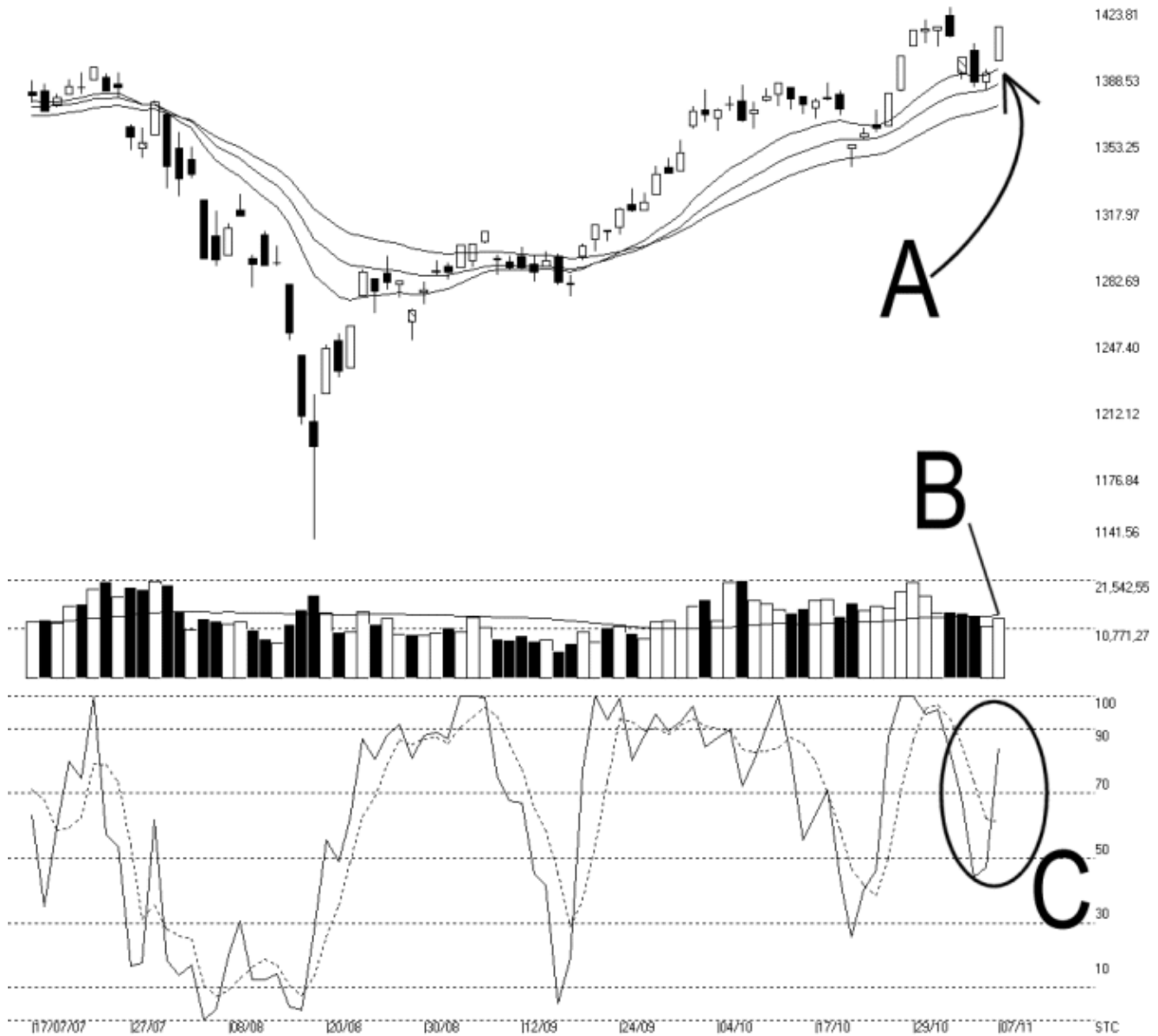




**STRAITS
index**

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

Open:1395.510 High:1413.850 Low:1395.510 Close:1413.850 +24.740(1.8%) Volume:13,242,513 (+1741686,15.1%)
 COMPOSITE INDEX [COMPOSITE] 17/07/2007 - 07/11/2007 Ticks=80 { Indices } Moving Averages of(14,21,31) - Volume Daily
 Created with WinChart (TM) Copyright (C) Straits Index (M) Sdn Bhd



Composite Index Daily Technical Analysis, 07/11/2007, by Straits Index (M) Sdn Bhd

As indicated by A, the KLCI continued supported by the rising 14, 21, 31 EMA which is the dynamic support for the KLCI. It appears that the KLCI is attempting to test the 1423.81 resistance level. Nevertheless, if the KLCI should break above this level, there is a better chance for the KLCI to continue its uptrend.

Although the KLCI ended about 1.8% higher on Wednesday, total market volume did not increase significantly. As indicated by B, volume remains below the 40-day VMA level suggesting that the overall market participation is still insufficient. If the KLCI should attempt to break above the resistance, volume must increase significantly to confirm the breakout.

As circled at C, the Stochastic %K line breaks above the 70% level on Wednesday with the %D line still staying below the 70% level. Therefore, the Stochastic %K line has triggered an unconfirmed short term bullish signal. If the Stochastic %D line should break above the 70% level, it would confirm the %K line signal, and the KLCI movement for the short term would be bullish biased.