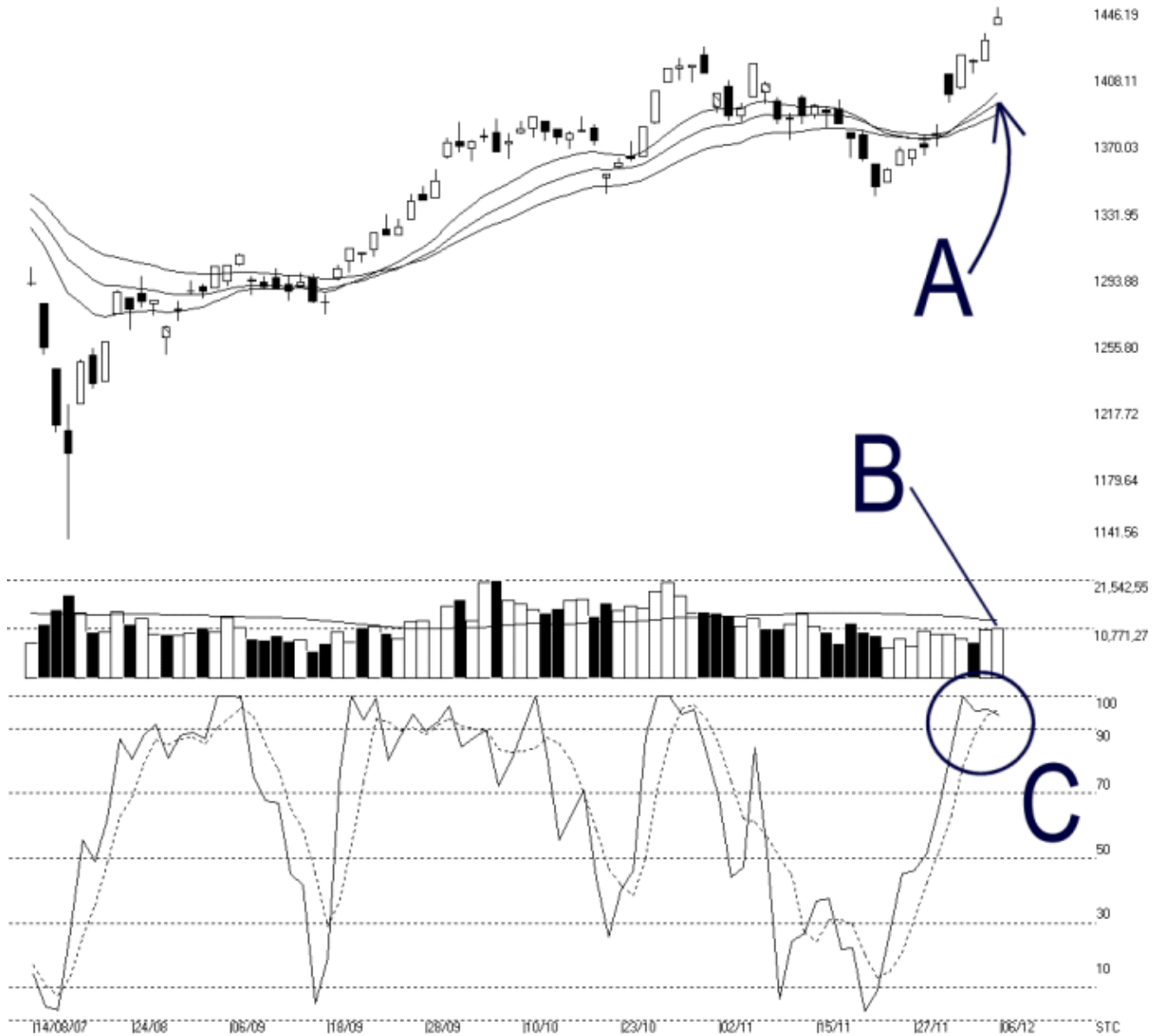




Straits Index (M) Sdn Bhd.
WinChart Technical Analysis
Tel: (03) 8941 6828
Fax: (03) 8941 9828
email: info@straitsindex.com

Open:1436.280 High:1446.190 Low:1436.280 Close:1440.390 +12.620(0.9%) Volume:10,889,575 (+175220.1.6%)
COMPOSITE INDEX [COMPOSITE] 14/08/2007 - 06/12/2007 Ticks=80 (Indices) Moving Averages e(14.21.31) - Volume Daily
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Composite Index Daily Technical Analysis, 06/12/2007, by Straits Index (M) Sdn Bhd

As shown on the chart above, the KLCI made yet another record high on Thursday with 1446.19 points. Therefore, as indicated by A, the 14, 21, 31 EMA shall continue serving as the dynamic support for the KLCI, and as long as the KLCI is still supported by the rising dynamic support, the movement is likely to be bullish biased.

Again, the KLCI marked another new high with thin volume on Thursday. Total market volume increased a marginal 1.6% on Thursday, but as indicated by B, it is still below the 40-day VMA level, suggesting that the volume is indeed insufficient. Therefore, it failed to confirm the KLCI new high as there are not enough participation in the market.

As circled at C, the Stochastic is now above the 90% level, which is the short term bullish region but slightly over-bought. Therefore, this is usually an over-heated sign, suggesting that the KLCI is due for a technical correction. If the Stochastic should remain above the 70% level after the possible technical correction, the market movement for the short term is still bullish biased.