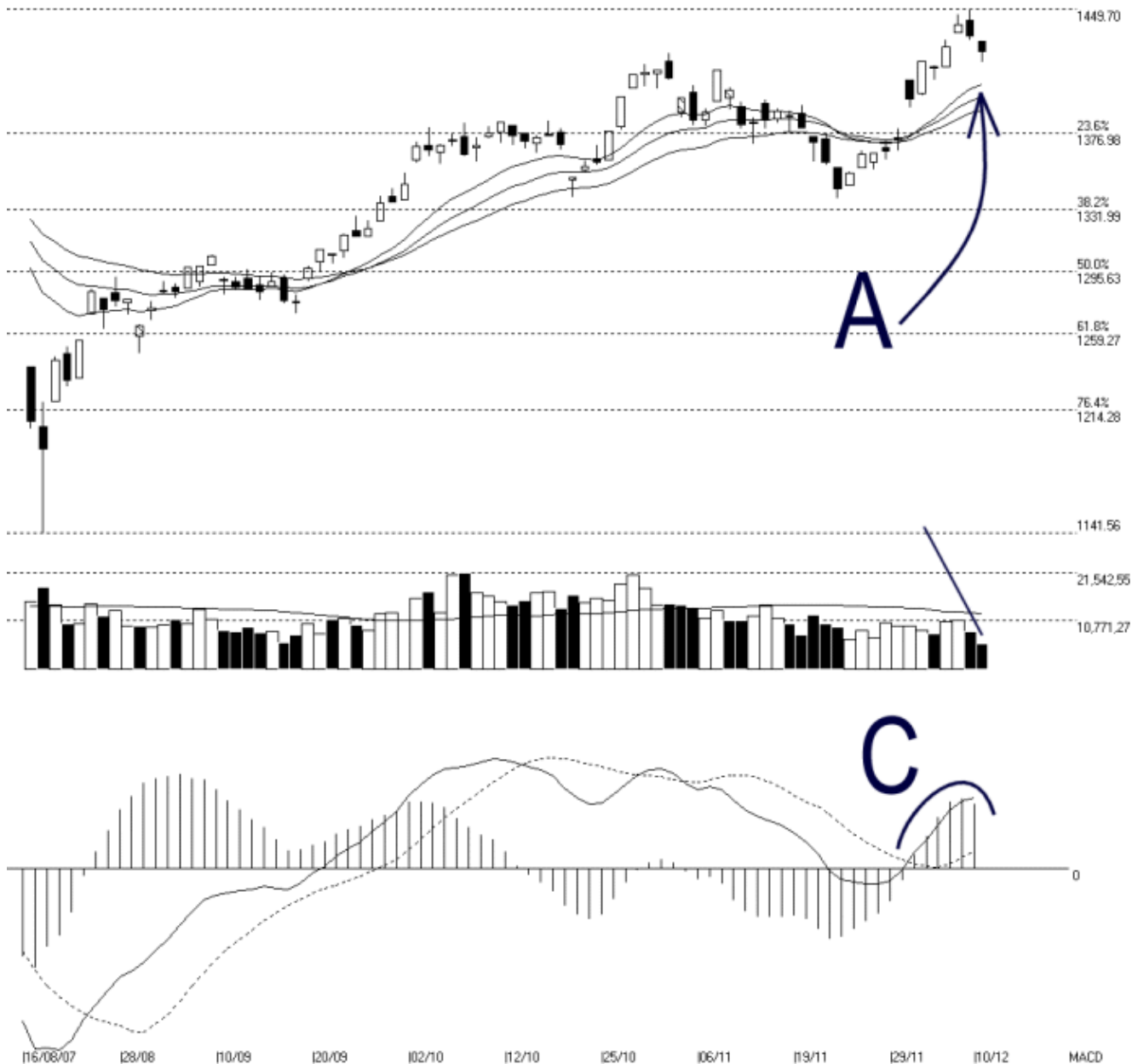




Straits Index (M) Sdn Bhd.
WinChart Technical Analysis
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Open:1430.520 High:1431.090 Low:1418.600 Close:1425.130 -8.910(-0.6%) Volume:5,792,878 (-2631156,-31.2%)
 COMPOSITE INDEX [COMPOSITE] 16/08/2007 - 10/12/2007 Ticks=80 (Indices) Moving Averages e(14,21,31) - Volume Daily (Fibo)
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Composite Index Daily Technical Analysis, 10/12/2007, by Straits Index (M) Sdn Bhd

The KLCI continued its technical correction on Monday, closing 8.91 points lower to 1425.13 points. As indicated by A, the 14, 21, 31 EMA is still serving as the dynamic support for the KLCI, and if the KLCI should rebound from the 14, 21, 31 EMA after its technical correction, there is a chance for the KLCI to resume its uptrend. Nevertheless, the resistance for the KLCI is still at 1449.7 level.

As indicated by B, total market volume declined another 31.2%, with the volume staying further lower below the 40-day VMA level. Therefore, this shows that the overall market participation is indeed insufficient. Therefore, without sufficient participation from investors, the KLCI is less likely to pick up its strength.

As indicated by C, the MACD histogram ticking lower and formed a rounding top. This suggests that the MACD bullish signal is weakening, thus a sign of a short term technical correction. Provided that the MACD histogram is still falling, the market movement for the short term is likely to be weak, until the MACD histogram formed a rounding bottom.