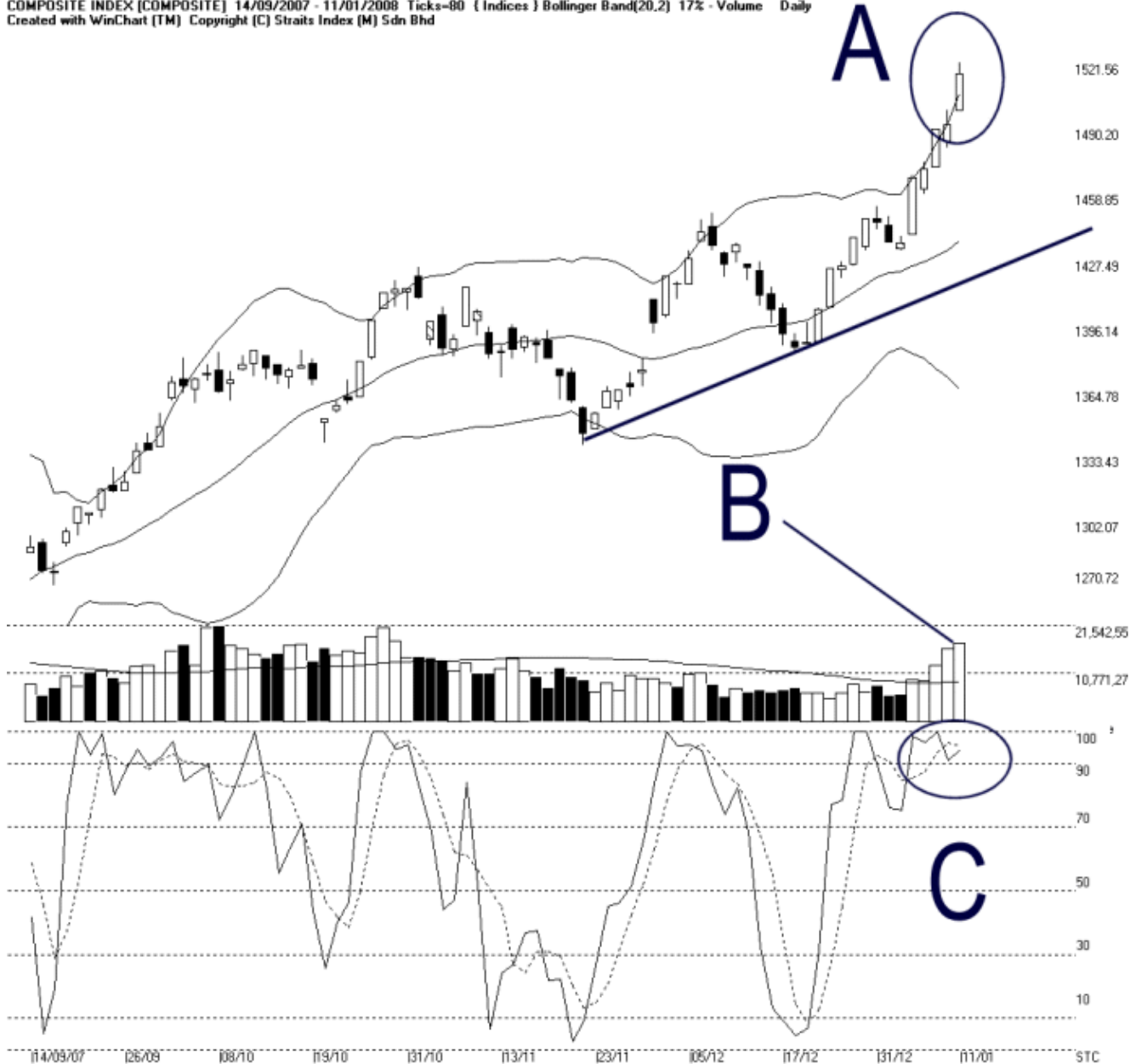




Straits Index (M) Sdn Bhd.
WinChart Technical Analysis
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Open:1498.890 High:1521.560 Low:1498.890 Close:1516.220 +24.560(1.6%) Volume:17,578,221 (+1116124.6.8%)
 COMPOSITE INDEX [COMPOSITE] 14/09/2007 - 11/01/2008 Ticks=80 (Indices) Bollinger Band(20,2) 17% - Volume Daily
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Composite Index Daily Technical Analysis, 11/01/2008, by Straits Index (M) Sdn Bhd

As circled at A, the KLCI breached partially above the 20-day Bollinger Upper Band again on Friday, closing at 1516.22 points after reaching yet another historical high of 1521.56 points. As the KLCI breaking above the 20-day Bollinger Upper Band, there is a risk of a pullback effect as a form a technical correction. Nonetheless, with the KLCI still staying above the dynamic support, the outlook for the KLCI remains positive biased. Again, readers can apply either the 10-day Bollinger Middle

Band or the 14, 21, 31 EMA as the dynamic support for the KLCI.

As indicated by B, total market volume increased another 6.8%, while still staying above the 40-day VMA level. This shows that the market is indeed well-participated. Therefore, provided that the market is still actively participated, the bullish sentiment is likely to continue.

As circled at C, the Stochastic is still showing a short term over-bought signal. Therefore, this suggests that the KLCI is indeed bullish, but has gone over-heated. Therefore, there is still a risk of a technical correction.