



**STRAITS
index**

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Open:93.080 High:93.510 Low:92.010 Close:92.400 -0.660(-0.7%) Volume:728,372 (-97411,-11.8%)
 2ND-BOARD [2ND-BOARD] 05/05/2006 - 10/01/2007 Ticks-171 Moving Averages e(14,21,31) - Volume Daily
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2nd Board Index Daily Technical Analysis 10/01/2007

2nd board index attempted a break-out on Wednesday, touching a daily high at 93.51 points. However, the 2nd board index soon started to retreat, and ended the day at 92.40 points with a daily low at 92.01 points, downed 0.66 of a point.

As pointed by A, the T1 remained as the dynamic resistance to the 2nd board index while the 14, 21, 31 EMA is the immediate support, and the next support is found at T2 dynamic support. At the moment, the 2nd board index remained consolidating in the symmetrical triangle

Volume for the 2nd board market continued staying lower on Wednesday, failing to break above the 40 days VMA level. This suggested the participation of the 2nd board market is still low; thus, the 2nd board index failed to break out above the symmetrical

triangle. Provided that the market participation is still low, the 2nd board index is likely to stay weak. (Study B)

MACD histogram ticked lower on Wednesday, forming a rounding top. This suggested a beginning of a technical correction, thus the 2nd board market movement for the short-term is likely to stay weak until the histogram ticked up and formed a rounding bottom. (Study C)