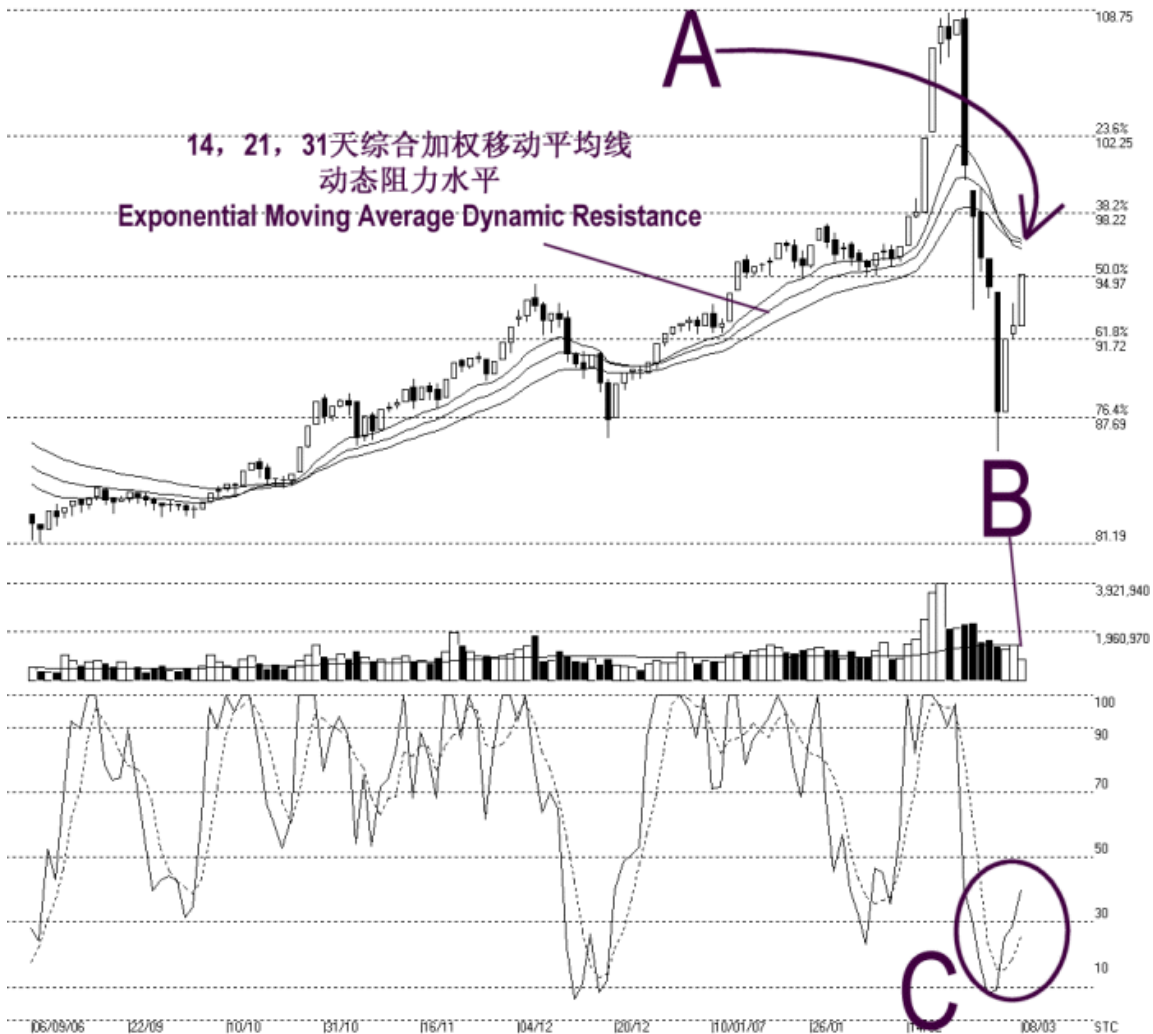




# STRAITS index

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Open:92.450 High:95.060 Low:92.450 Close:95.060 +2.640(2.9%) Volume:848,604 (-582015.-40.7%)  
2ND-BOARD [2ND-BOARD] 06/09/2006 - 08/03/2007 Ticks=123 Moving Averages e(14,21,31) - Volume Daily (Fibo)  
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## 2<sup>nd</sup> Board Index Daily Technical Analysis 08/03/2007

On Thursday, the 2<sup>nd</sup> board index closed 2.64 points higher to 95.06 points. As pointed by A, the 2<sup>nd</sup> board is set to test the 14, 21, 31 EMA dynamic resistance. If the 2<sup>nd</sup> board index could break above the dynamic resistance, the 2<sup>nd</sup> board index will not be forming a downtrend yet. Nevertheless, the 87.69 Fibonacci Retracement is still the support level for the 2<sup>nd</sup> board index.

Volume for the 2<sup>nd</sup> board market was lower again, and failing to reach the 40 days VMA level. This suggested that the market participation of the 2<sup>nd</sup> board is insufficient. Therefore, if the 2<sup>nd</sup> board index was to break the dynamic resistance with such low volume, the break out would not be a valid one. (Study B)

Stochastic %K continued rising on Thursday, breaking above 30% level. If the %D line could break above 30% level, it shall confirm the %K signal and the short-term movement for the 2<sup>nd</sup> board index would turn from bearish to neutral. (Study C)