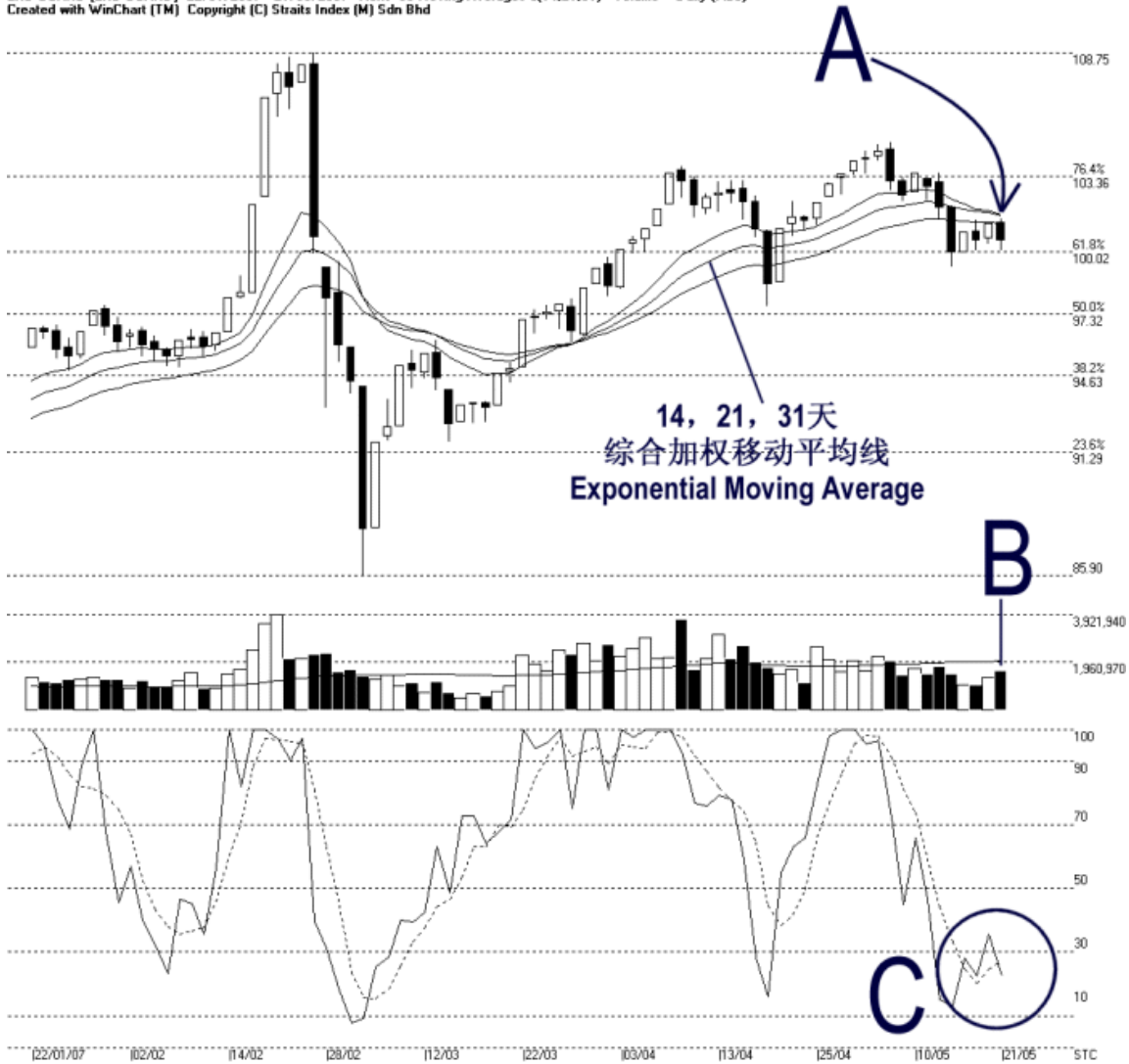




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index**

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Open:101.350 High:101.490 Low:100.070 Close:100.590 -0.720(-0.7%) Volume:1,618,321 (+268684,19.9%)  
 2ND-BOARD [2ND-BOARD] 22/01/2007 - 21/05/2007 Ticks=80 Moving Averages e(14,21,31) - Volume Daily (Fibo)  
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### 2<sup>nd</sup> Board Index Daily Technical Analysis 21/05/2007

As indicated by A, the 2<sup>nd</sup> board index remained resisted at the 14, 21, 31 EMA. Meanwhile, it was also supported by the 100.02 Fibonacci Retracement line, and therefore, the 2<sup>nd</sup> board index is now consolidating in a narrow range.

If the 2<sup>nd</sup> board should fall below the 100.02 support, the next support would be at 97.32 WinChart Automatic Fibonacci Retracement, and the 14, 21, 31 EMA shall continue serving as the dynamic resistance.

Although volume for the 2<sup>nd</sup> board market increased 19.9%, it still remains below the 40-day VMA level, suggesting that the participation of the 2<sup>nd</sup> board market is still

relatively insufficient. In addition, if the volume should continue increase while the 2<sup>nd</sup> board index remains falling, it would suggest an increase of selling pressure. (Study B)

As circled at C, the Stochastic %K failed to stay above the 30% level, re-entering into the short term bearish region on Monday. Therefore, the Stochastic is still showing a short term bearish signal, and the market movement for the short term shall remain bearish biased. (Study the C Circle)