



**STRAITS  
index**

**Straits Index (M) Sdn Bhd**  
**WinChart Technical Analysis Provider**  
 Tel : (03) 8941 6828 Fax : (03) 8941 9828  
 Email: info@straitsindex.com

Open:102.000 High:102.770 Low:102.000 Close:102.790 +0.960(0.9%) Volume:1.051.428 (+284762.37.1%)  
 2ND-BOARD [2ND-BOARD] 06/02/2007 - 04/06/2007 Ticks=80 Bollinger Band(10.2) 28% - Volume Daily  
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### 2<sup>nd</sup> Board Index Daily Technical Analysis 04/06/2007

As indicated by A, the Bollinger Band width expanded 28% with the KLCI situated above the Bollinger middle band. This suggests an increase of the upside volatility of the 2<sup>nd</sup> board index, and provided that the Bollinger Band width could continue expand with the 2<sup>nd</sup> board index remains above the Bollinger middle band, the 2<sup>nd</sup> board is set to test the 104.6 resistance.

Despite the slight bullish signal from the Bollinger Bands, volume for the 2<sup>nd</sup> board remains below the 40-day VMA level. Therefore, the sustainability of this bullish signal is still questionable. Unless the volume can break above the 40-day VMA level, the bullish Bollinger Bands signal is likely to be a short one.

As circled at C, the Stochastic %K touches 100% level while the %D line breaks above the 70% level. This confirms the short term bullish signal. If the Stochastic should stay above the 70% level, the short term market movement for the 2<sup>nd</sup> board index is bullish biased.