



STRAITS index

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

Open:104.580 High:106.700 Low:104.500 Close:106.100 +1.010(1.0%) Volume:1,582,078 (+519986.49.0%)
2ND-BOARD [2ND/BOARD] 12/02/2007 - 08/06/2007 Ticks=80 Bollinger Band(10.2) 10% - Volume Daily
Created with WinChart (TM) Copyright (C) Straits Index (M) Sdn Bhd



2nd Board Index Daily Technical Analysis 08/06/2007

The 2nd board index ended higher on Friday after Thursday's break out from the 104.6 resistance. However, the Bollinger Band width only expanded 10%. If compared to the previous days, the Bollinger Band width expansion rate has reduced significantly, suggesting a decline in the upside fluctuation. Nevertheless, as long as the 2nd board remains above the Bollinger Middle Band, the immediate outlook for the 2nd board index is still bullish biased. 108.75 points is still the next major resistance for the 2nd board index.

Volume for the 2nd board market increased 49% on Friday, but remains below the 40-day VMA level. If the volume should continue increase and stay above the 40-day VMA level, the market sentiment for the 2nd board shall improve.

As circled at C, the Stochastic remains at 100%, suggesting that the 2nd board index is indeed over-heated for the short term. Therefore, a risk for a technical correction is unavoidable. However, provided that the Stochastic can remain above the 70% level, the market movement for the short term is still bullish biased.