



**STRAITS
index**

Straits Index (M) Sdn Bhd
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Open:108.440 High:108.900 Low:106.990 Close:107.380 -0.790(-0.7%) Volume:1,461,396 (+106764.7.9%)
2ND-BOARD [2ND-BOARD] 16/02/2007 - 14/06/2007 Ticks=80 Moving Averages e(14,21,31) - Volume Daily
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2nd Board Index Daily Technical Analysis 13/06/2007

Despite an attempt in breaking the 108.75 resistance, the 2nd board remains resisted at the 108.75 level. Therefore, the 2nd board index is still in its consolidation. Meanwhile, as indicated by A, the 14, 21, 31 EMA is still serving as the dynamic support to the 2nd board index. Other supports are found at 104.6 points as well as the 98.5 points.

Volume for the 2nd board market remains below the 40-day VMA level, suggesting that the 2nd board is still lightly participated as it seems like investors are still staying on the sideline. Nevertheless, the relatively lower volume during a consolidation or a correction is usually normal. However, if the 2nd board should break above the 108.75 resistance

level, volume must increase significantly and maintain above the 40-day VMA level in order to sustain the break out. (Study B)

On Thursday, the Stochastic %D line falls below the 90% level, suggesting a short term technical correction signal. However, the Stochastic is still above the 70% level, which is still the short term bullish region. Therefore, the market movement for the short term is still bullish biased. (Study C)