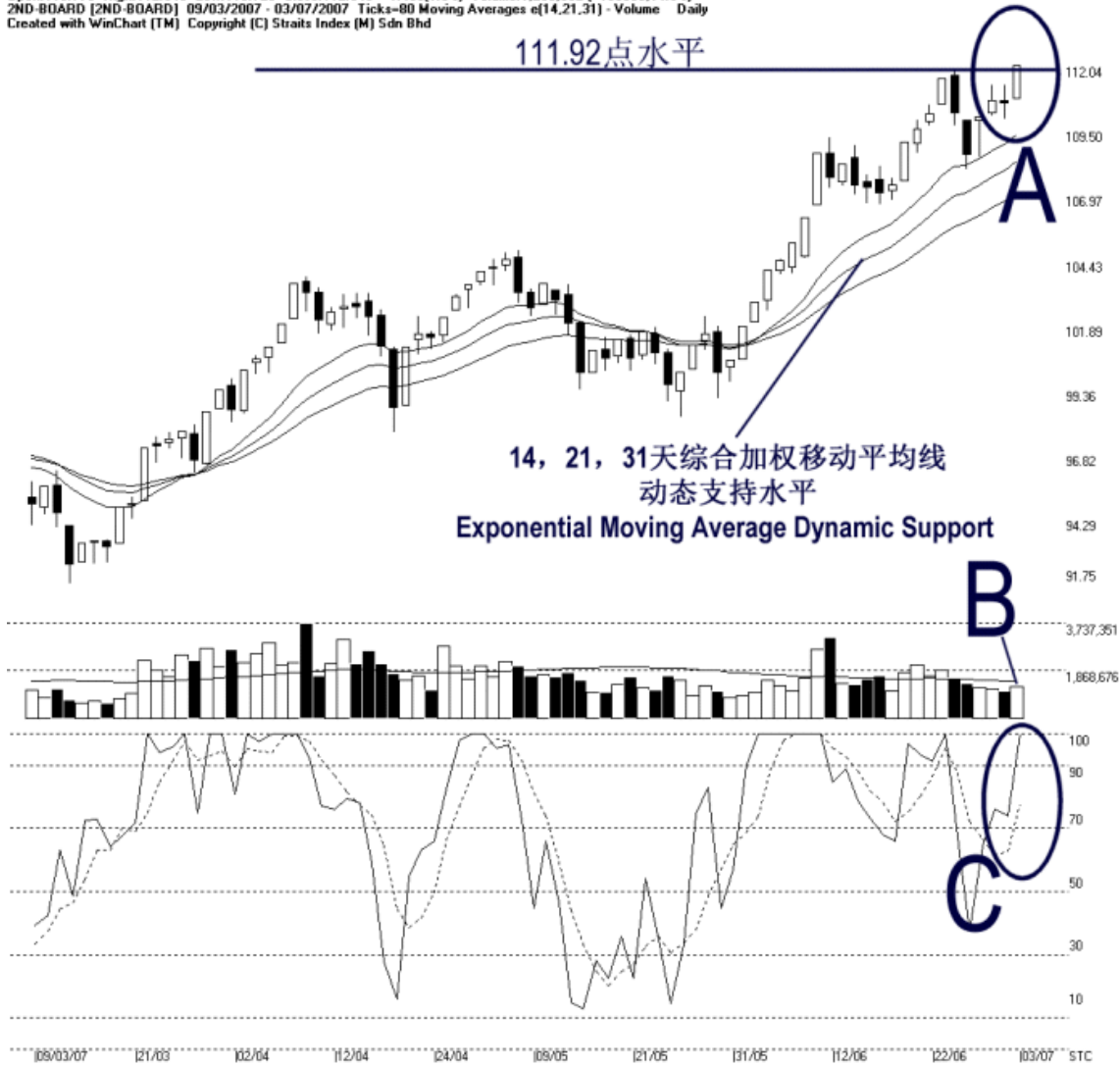




**STRAITS
index**

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Open:110.770 High:112.040 Low:110.720 Close:112.040 +1.460(1.3%) Volume:1,235,962 (+156836,14.5%)
 2ND-BOARD [2ND-BOARD] 09/03/2007 - 03/07/2007 Ticks=80 Moving Averages e(14,21,31) - Volume Daily
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2nd Board Index Daily Technical Analysis 03/07/2007

After consolidated for about a week, the 2nd board index rebounded on Tuesday, ended the day at the daily high of 112.04 points, up 1.46 points. As circled at A, the 2nd board index breaks above the previous resistance level at 111.92 points. Currently, the 2nd board is still testing the 111.92 resistance, and if the 2nd board index should break above this resistance level successfully, there would be more upside room for the 2nd board index.

Meanwhile, the 14, 21, 31 EMA is still serving as the dynamic support to the 2nd board index, and provided that the 2nd board index is staying above the dynamic support, the outlook is still bullish biased.

Although the 2nd board index ended higher on Tuesday, volume for the 2nd board market remains below the 40-day VMA level. Therefore, this shows that the market participation for the 2nd board market is still relatively low. If the 2nd board index should sustain its uptrend, volume must increase and stay higher above the 40-day VMA level. (Study B)

As circled at C, the Stochastic %D breaks above the 70% level, confirming the %K line short term bullish signal. Therefore, the Stochastic is now showing a short term bullish signal, and the market movement for the short term is now bullish biased, until the Stochastic falls below the 70% level. (Study C)