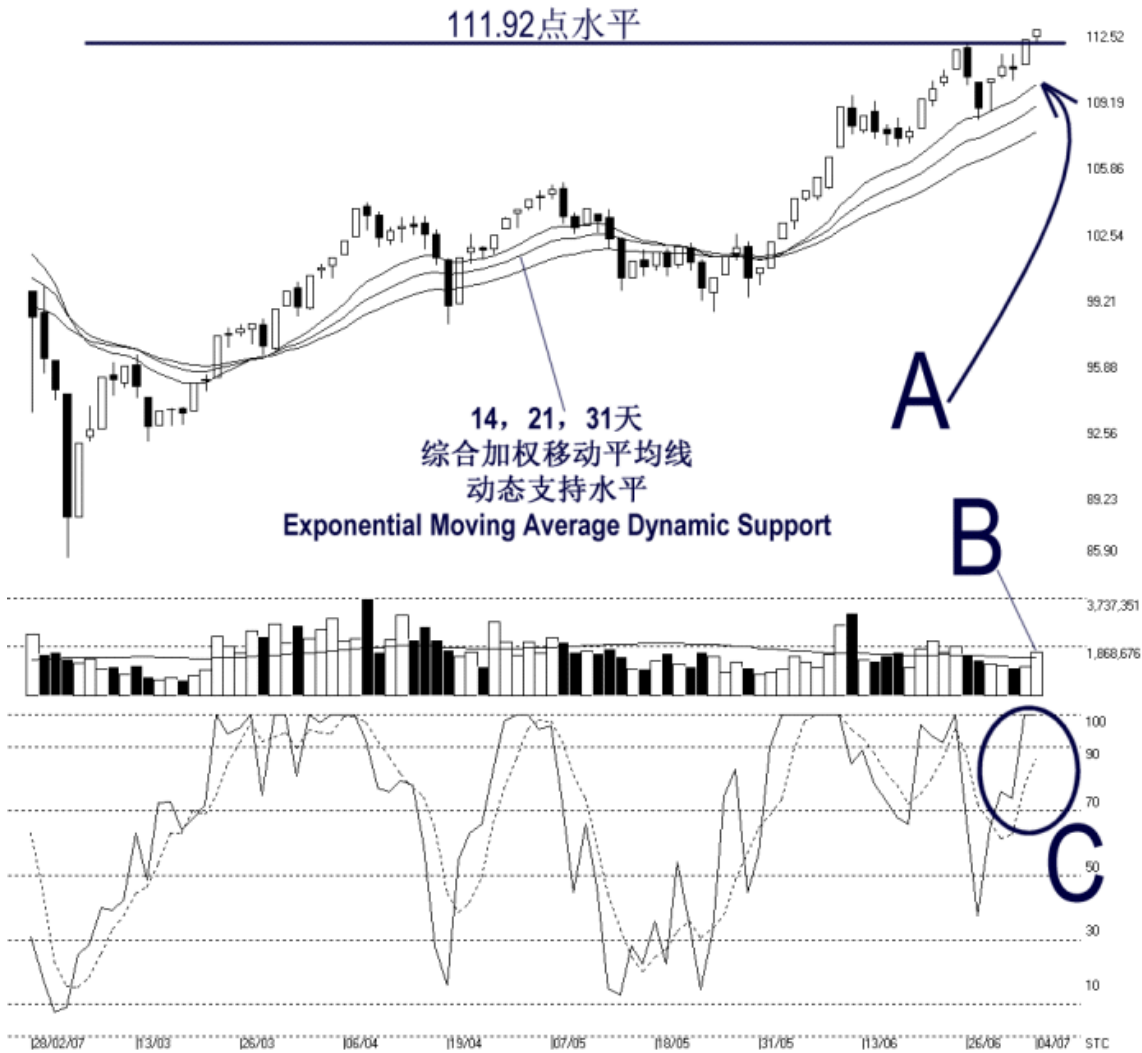




**STRAITS
index**

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Open:112.200 High:112.520 Low:111.780 Close:112.520 +0.480(0.4%) Volume:1,659,231 (+536094,47.7%)
 2ND-BOARD [2ND-BOARD] 28/02/2007 - 04/07/2007 Ticks=88 Moving Averages e(14,21,31) - Volume Daily
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2nd Board Index Daily Technical Analysis 04/07/2007

As shown on the chart above, the 2nd board index ended higher on Wednesday, closing 0.48 of a point to 112.52 points. With the 2nd board index breaking above the 111.92 resistance level, the uptrend is likely to continue. As indicated by A, the 14, 21, 31 EMA remains rising while continue serving as the dynamic support to the 2nd board index. Therefore, as long as the 2nd board index should remains above the rising dynamic support, the outlook for the 2nd board index is still bullish biased. (Study a)

As indicated by B, volume for the 2nd board market increased 47.7%, and breaking above the 40-day VMA level successfully. This suggests an improvement of the market

participation and therefore, if the volume should maintain at above the 40-day VMA level, the bullish sentiment for the 2nd board market is likely to be sustainable.

On Wednesday, the Stochastic is still staying above the 70% level, which is the short term bullish region. Therefore, the market movement for the short term is bullish biased. If the Stochastic should fall below the 70% level, it would be a signal suggesting an end to the short term bullish movement. (Study C)