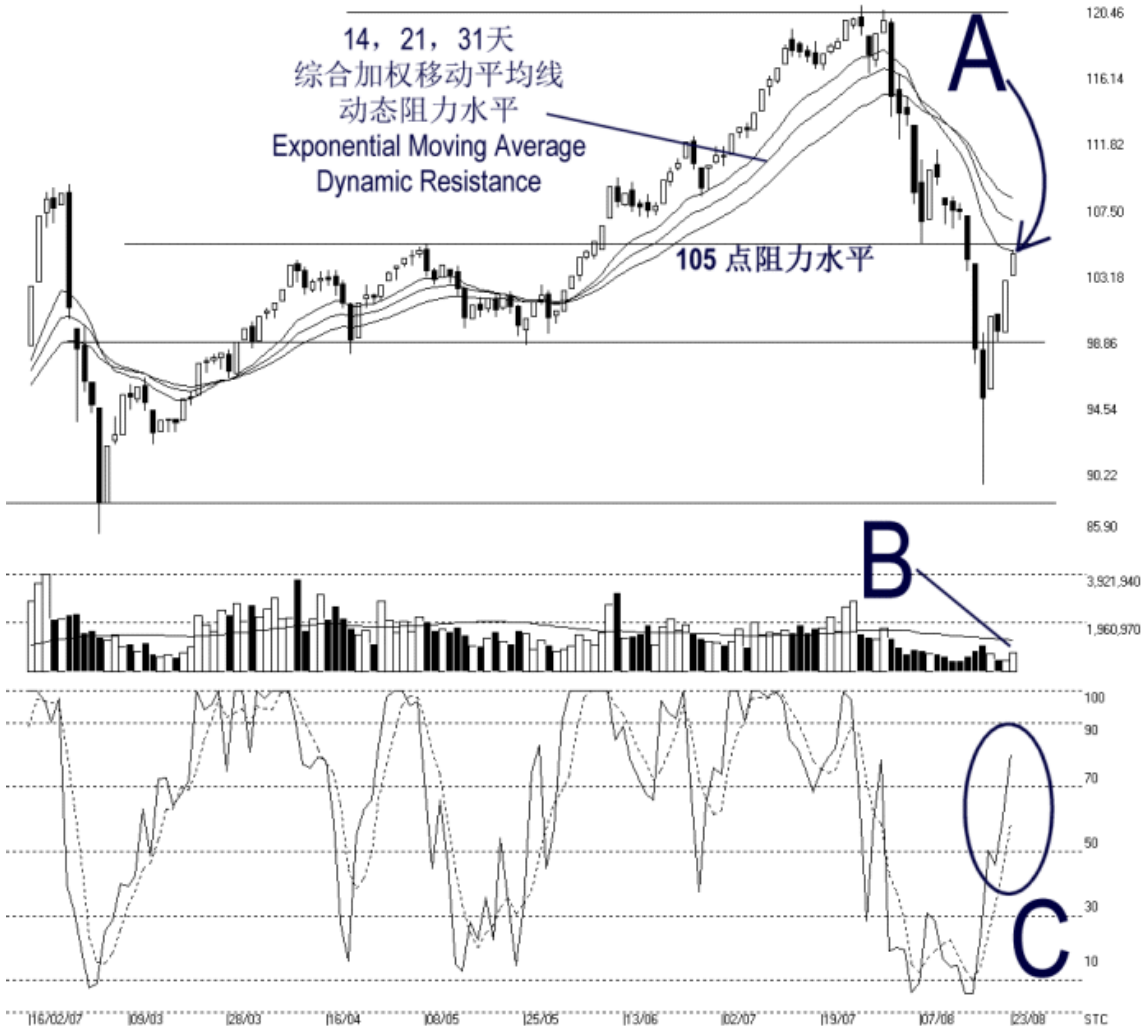




**STRAITS
index**

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

Open:102.860 High:104.490 Low:102.860 Close:104.240 +1.770(1.7%) Volume:763.041 (+308932.68.0%)
 2ND-BOARD [2ND-BOARD] 16/02/2007 - 23/08/2007 Ticks-130 { Indices } Moving Averages e(14.21.31) - Volume Daily
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2nd Board Index Daily Technical Analysis 23/08/2007

On Thursday, the 2nd board index rose another 1.77 points to close at 104.24 points. As indicated by A, the 2nd board index is now testing the 105 resistance level, as well as the 14 EMA dynamic resistance. If the 2nd board index should retreat after resisted by the falling dynamic resistance, the outlook shall remains bearish biased. (Study A)

As indicated by B, volume for the 2nd board market remains below the 40-day VMA level. This again shows that the market is lightly participated, and the low volume also implies a lack of market confident as investor choose to stay at the sidelines. Nevertheless, provided that the volume is still staying below the 40-day VMA level, the market sentiment for the 2nd board index is still relatively weak. (Study B)

As circled at C, the Stochastic %K line breaks above the 70% level, giving an unconfirmed short term bullish signal. If the Stochastic %D line should break above the 70% level, it would confirm the %K signal, and the market movement for the short term would turn from neutral to bullish biased. (Study C)