



**STRAITS  
index**

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Open:104.130 High:105.300 Low:103.260 Close:105.300 +1.060(1.0%) Volume:633,541 (-7470,-1.2%)  
2ND-BOARD [2ND-BOARD] 21/02/2007 - 24/08/2007 Ticks=130 { Indices } Moving Averages e(14,21,31) - Volume Daily  
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### 2<sup>nd</sup> Board Index Daily Technical Analysis 24/08/2007

The 2<sup>nd</sup> board index retreated in the most part of Friday after testing the 14-day EMA dynamic resistance. However, the 2<sup>nd</sup> board index rebounded just below the closing, and closed 1.06 points higher at 105.30 points. Despite breaking the 14-day EMA line marginally, the 14, 21, 31 EMA remains the dynamic resistance to the 2<sup>nd</sup> board index. Meanwhile, the 105 points is still the resistance level to the 2<sup>nd</sup> board index.

Although the 2<sup>nd</sup> board index ended higher on Friday, volume for the 2<sup>nd</sup> board market remains further below the 40-day VMA level. This suggests that the market participation is really low. Therefore, this also implies that the market sentiment is still weak.

As circled at C, the Stochastic %K remains above the 70% level. However, the Stochastic %D line remains below the 70% level, and therefore, failing to confirm the %K line signal. Nevertheless, the Stochastic must break above the 70% level successfully in order to trigger a short term bullish signal.