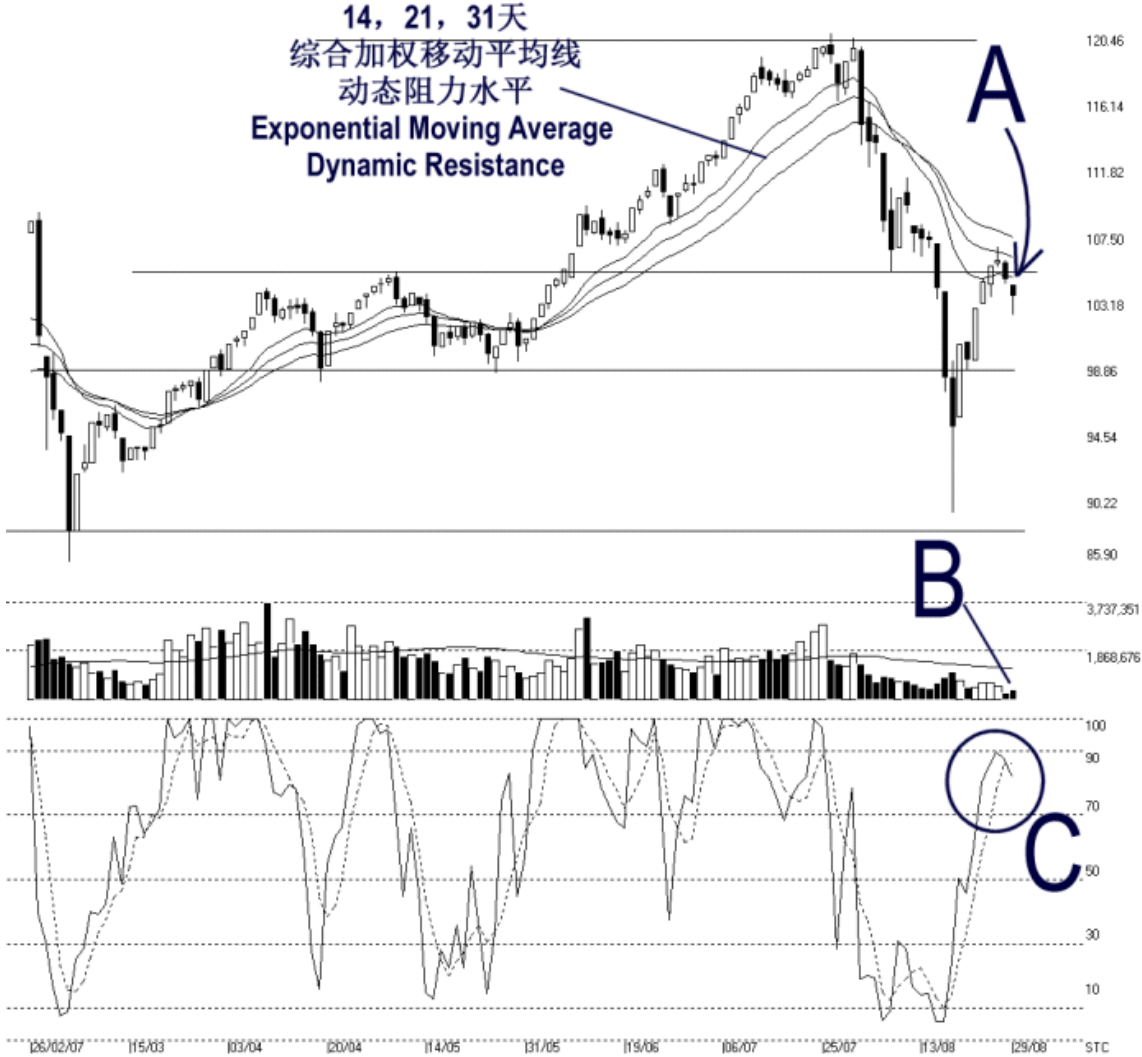




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index**

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Open:104.060 High:104.060 Low:102.050 Close:103.380 -1.130(-1.1%) Volume:369,180 (+105950.40 2%)  
 2ND-BOARD [2ND-BOARD] 26/02/2007 - 29/08/2007 Ticks-130 { Indices } Moving Averages e(14,21,31) - Volume Daily  
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### 2<sup>nd</sup> Board Index Daily Technical Analysis 29/08/2007

On Wednesday, the 2<sup>nd</sup> board index retreated a total of 1.13 points to close at 103.38 points. As indicated by A, the 2<sup>nd</sup> board index remains resisted by the falling 14, 21, 31 EMA, which is still serving as the dynamic resistance to the 2<sup>nd</sup> board index. Therefore, if the 2<sup>nd</sup> board index should remain resisted by the falling dynamic resistance, the outlook shall remain bearish biased.

Despite volume for the 2<sup>nd</sup> board market on Wednesday increased 40.2%, it is still further below the 40-day VMA level. Therefore, in short, the market participation in the 2<sup>nd</sup> board market is still insufficient, and the market sentiment is likely to stay weak. (Study B)

As circled at C, the Stochastic is still staying above the 70% level, which is the short term bullish region. If the Stochastic should remains above the 70% level, the market movement for the short term shall turn positive biased. However, if the Stochastic should fall below the 70% level, the short term market movement would turn to neutral.