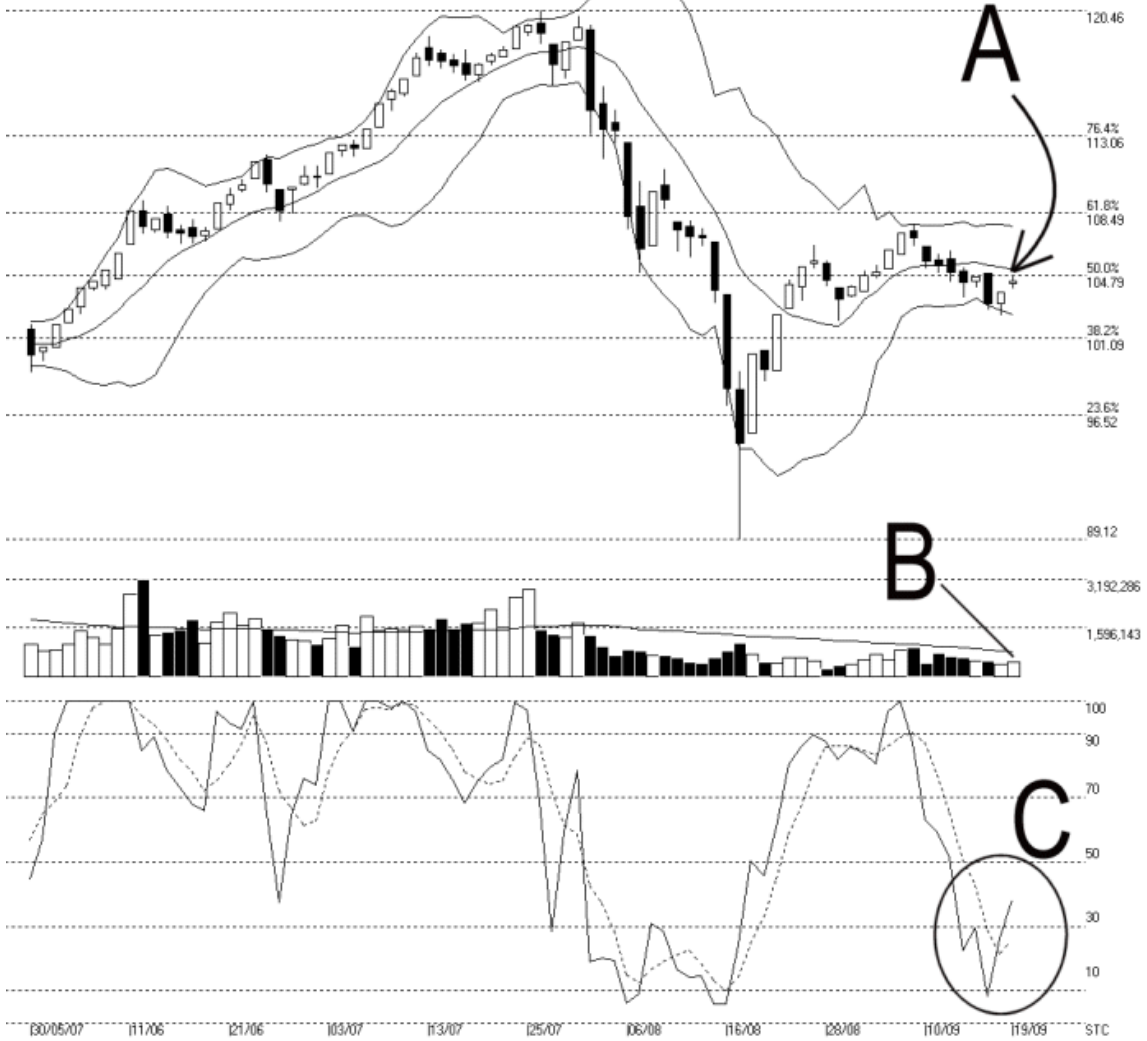




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Open:104.320 High:104.770 Low:104.010 Close:104.430 +0.630(0.6%) Volume:488,677 (+99695,25.6%)  
 2ND-BOARD [2ND-BOARD] 30/05/2007 - 19/09/2007 Ticks=80 { Indices } Bollinger Band(10,2) 2% · Volume Daily (Fibo)  
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**2<sup>nd</sup> Board Index Daily Technical Analysis 19/09/2007**

In line with the Dow Jones closing higher after the interest rate cut, the 2<sup>nd</sup> board index opened gap up on Wednesday. However, as indicated by A, the 2<sup>nd</sup> board index remains resisted by the Bollinger Middle Band. Therefore, this is only a technical rebound for the 2<sup>nd</sup> board index. If the Bollinger Bands Width should remain expanding with the 2<sup>nd</sup> board index staying below the Bollinger Middle Band, there are still downside risk for the 2<sup>nd</sup> board index. Nevertheless, the next support is still at 101.09 Fibonacci Retracement Line.

Even though the volume for the 2<sup>nd</sup> board market increased on Wednesday, it is still staying below the 40-day VMA level. This suggests that the overall participation to the

2<sup>nd</sup> board market is still insufficient. Therefore, without sufficient inflow of fresh capital, the 2<sup>nd</sup> board index is less likely to regain its strength. (Study B)

As circled at C, the Stochastic %K line breaks above the 30% level on Wednesday. If the Stochastic %D line should break above the 30% level, it would confirm the %K line signal, and the market movement for the short term would turn from bearish biased to neutral.