

# Haily Group (0237)

## Triangle Break-out with Strength



### Technical Highlights

With the recent multiple swing, the stock seems to have found the EMA 20 line as support. The stock surged yesterday, and formed a large green candle at closing. More upswing potential may be on the card especially with the large green candle gapping up, breaking through the approximately 2-month long triangle with considerable momentum (RSI>70) and substantial trading volume (21.9x more than its average 90-days trading volume).

The golden cross happened yesterday with MACD line crossing above the signal line, signifies strong positive momentum going forward. Similarly, short-term bullishness is affirmative with both SMA 20 and RSI line facing upward.

We think the stock could potentially put the RM0.830 resistance and subsequently RM0.925 resistance to the test, which are derived based on the difference of RM0.095 of the high and low of the 2-month long triangle pattern. Conversely, a dip below RM0.590 could signal the commencement of a correction phase.

**Entry** – RM-0.735 – RM0.745  
**Stop Loss** – RM0.585  
**Target Price** – RM0.830 – RM0.925

#### Technical

Resistance 1 (RM)	0.830
Resistance 2 (RM)	0.925
Support 1 (RM)	0.590
Support 2 (RM)	0.515
MACD	Positive
RSI	Positive

#### Stock Information

Last Close (RM)	0.735
52-week High (RM)	0.735
52-week Low (RM)	0.351

#### Company Profile

Haily Group Berhad is a construction company that principally involved in developing residential and non-residential buildings.

# Cahaya Mata Sarawak (2852)

## Double-bottom Break-out Underway?



### Technical Highlights

After the recent multiple swings, the stock price appears to have been hovering above all the EMA lines for a while. Yesterday, the stock surged and formed a large green candle at the close. It is on the verge of breaking through the neckline of the 40-month-long double-bottom pattern. We think a break-out may be underway, underpinned by the increasing momentum (growing RSI).

The stock's short-term bullishness is ascertained, with both the RSI and SMA 20 lines pointing up straight.

If the stock break through the neckline at RM1.45, we think the stock could potentially test the resistance at RM1.950 first and subsequently at RM2.450 (determined by difference of RM0.50 between high and low of double-bottom pattern). Conversely, consolidation happens if the share price dips below the RM1.310 support (a few ticks below the recent downswing).

**Entry** – RM-1.440 – RM1.500  
**Stop Loss** – RM1.210  
**Target Price** – RM1.950 – RM2.450

### Technical

<b>Resistance 1 (RM)</b>	1.950
<b>Resistance 2 (RM)</b>	2.450
<b>Support 1 (RM)</b>	1.310
<b>Support 2 (RM)</b>	1.220
<b>MACD</b>	Positive
<b>RSI</b>	Positive

### Stock Information

<b>Last Close (RM)</b>	1.440
<b>52-week High (RM)</b>	1.440
<b>52-week Low (RM)</b>	0.904

### Company Profile

Cahaya Mata Sarawak Berhad is a Malaysia-based company that specialise in manufacturing building materials and offering construction services.

## Glossary of commonly used technical terms

Exponential Moving Average (EMA)	An indicator frequently used in technical analysis showing the average value of a security's price over a set period with greater weightage placed on the most recent data points.
Moving Average Convergence Divergence (MACD)	A trend-following momentum indicator that shows the relationship between two moving averages of prices. The MACD is calculated by subtracting the 26-day exponential moving average (EMA) from the 12-day EMA. A 9-day EMA of the MACD, called the "signal line", is then plotted on top of the MACD, functioning as a trigger for buy and sell signals.
Stochastic	A technical momentum indicator that compares a security's closing price to its price range over a given time period. The indicator's sensitivity to market movements can be reduced by adjusting the time period or by taking a moving average of the result.
Average True Range (ATR)	A measure of volatility whereby the indicator is the greatest of the following: <ul style="list-style-type: none"><li>- current high less the current low;</li><li>- the absolute value of the current high less the previous close;</li><li>- the absolute value of the current low less the previous close;</li></ul>
Bollinger Band	A band plotted 2 standard deviations away from a simple moving average.
On-Balance Volume (OBV)	A method used in technical analysis to detect momentum, the calculation of which relates volume to price change. OBV provides a running total of volume and shows whether this volume is flowing in or out of a given security.
Support	The price level which, historically, a stock has had difficulty falling below. It is thought of as the level at which a lot of buyers tend to enter the stock.
Resistance	The price at which a stock or market can trade, but not exceed, for a certain period of time. Often referred to as "resistance level".
Reversal	A change in the direction of a price trend. On a price chart, reversals undergo a recognisable change in the price structure. An uptrend, which is a series of higher highs and higher lows, reverses into a downtrend by changing to a series of lower highs and lower lows. A downtrend, which is a series of lower highs and lower lows, reverses into an uptrend by changing to a series of higher highs and higher lows.
Divergence	When the price of an asset and an indicator, index or other related asset move in opposite directions.
Overbought	In technical analysis, this term describes a situation in which the price of a security has risen to such a degree – usually on high volume – that an oscillator has reached its upper bound. This is generally interpreted as a sign that the price of the asset is becoming overvalued and may experience a pullback.
Oversold	A situation in technical analysis where the price of an asset has fallen to such a degree – usually on high volume – that the oscillator has reached a lower bound. This is generally interpreted as a sign that the price of the asset is becoming undervalued and may represent a buying opportunity for investors

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