

# Sealink International (5145)

## Revisiting 52-week high?



### Technical Highlights

The stock had been consolidating from its 52-week high recently. Despite a pullback from its previous 52-week high due to selling pressure, the stock regained its momentum and rallied to close higher with just a small step away from arriving at the previous 52-week high. With the green candle forming and breaking through the roughly 2-month-long channel pattern with significant trading volume (1.7 times higher than its average 90-day trading volume), it indicates that there may be more upside potential in play.

Growing momentum is expected going forward as portrayed by the golden cross in the MACD yesterday. Likewise, short-term bullishness is ascertained by the upward pointing 20-EMA and RSI lines.

Relying on these positive signals, we think the stock could potentially test the resistance at RM0.365 (52-week high) first and subsequently at RM0.450 (derived based on the difference of RM0.085 between the high and low of the channel pattern). Conversely, a descent below RM0.280 could indicate the commencement of a correction phase.

**Entry** – RM-0.350 – RM0.360

**Stop Loss** – RM0.250

**Target Price** – RM0.365 – RM0.450

#### Technical

<b>Resistance 1 (RM)</b>	0.365
<b>Resistance 2 (RM)</b>	0.450
<b>Support 1 (RM)</b>	0.280
<b>Support 2 (RM)</b>	0.225
<b>MACD</b>	Positive
<b>RSI</b>	Positive

#### Stock Information

<b>Last Close (RM)</b>	0.360
<b>52-week High (RM)</b>	0.365
<b>52-week Low (RM)</b>	0.080

#### Company Profile

Sealink International Berhad is a company that principally engages in providing wide ranges of shipping services.

# Pavillion REIT (5212)

## Rebound on the Card?



### Technical Highlights

Consolidation was observed in the stock from its 52-week high over the past weeks. The significant selloff recently caused the stock to plunge below its 20-EMA and 50-EMA lines after breaking through the neckline of the 3-month long double top pattern at RM1.33. However, the share regained buying power and rallied yesterday with considerable trading volume (2.1x more than its average 90-day trading volume). The rally not only sent the stock crossing above the neckline of the double top pattern, but also reverted most of the loss experienced throughout the consolidation period. With these signals showing positive trajectory, we think the upswing potential may not just stop there.

Yesterday, the MACD exhibited a golden cross, which denotes strong momentum going forward. Additionally, the upward-pointing 20-EMA line confirms its short-term bullishness.

With the stock sustaining above the pattern break-out with growing momentum, we think the share could retest the 52-week high at RM1.40 resistance and subsequently at 1.50 resistance. Conversely, consolidation starts if the share price dips below the RM1.27 support.

**Entry** – RM-1.36 – RM1.39  
**Stop Loss** – RM1.22  
**Target Price** – RM1.40 – RM1.50

### Technical

<b>Resistance 1 (RM)</b>	1.40
<b>Resistance 2 (RM)</b>	1.50
<b>Support 1 (RM)</b>	1.27
<b>Support 2 (RM)</b>	1.19
<b>MACD</b>	Positive
<b>RSI</b>	Positive

### Stock Information

<b>Last Close (RM)</b>	1.39
<b>52-week High (RM)</b>	1.40
<b>52-week Low (RM)</b>	1.10

### Company Profile

Pavillion Real Estate Investment Trust is an investment trust that principally invest in a diversified portfolio of income-producing real estate used for retail purposes in Malaysia and other countries within Asia Pacific region.

## 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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