

# PWF Corporation (7134)

## Uptrend Resumes?



### Technical Highlights

The stock had been hovering below its 20-EMA line after consolidating from its 52-week high. However, we see this consolidation and trading pattern as temporary amid the recent rebound in its share price with growing momentum (indicated by the growing RSI indicator). The stock is on the verge of breaking through the 3-month-long pennant pattern. The green candle formed at the closing yesterday indicates that the buying interest may resume.

Growing momentum in the stock is shown by the golden cross in the MACD yesterday. Similarly, short-term bullishness is ascertained by the upward pointing RSI line.

If the share breaks out of the pennant pattern with growing momentum, we think the stock could potentially test the resistance at RM0.900 first and subsequently at RM1.03 (52-week high). Conversely, a dip below RM0.845 could indicate the commencement of a correction phase.

**Entry** – RM-0.875 – RM0.895

**Stop Loss** – RM0.825

**Target Price** – RM0.900 – RM1.03

#### Technical

<b>Resistance 1 (RM)</b>	0.900
<b>Resistance 2 (RM)</b>	1.03
<b>Support 1 (RM)</b>	0.845
<b>Support 2 (RM)</b>	0.770
<b>MACD</b>	Positive
<b>RSI</b>	Positive

#### Stock Information

<b>Last Close (RM)</b>	0.895
<b>52-week High (RM)</b>	1.03
<b>52-week Low (RM)</b>	0.532

#### Company Profile

PWF Corporation Berhad engages in integrated livestock farming and property letting.

# AT Systemization (0072)

## Rebound on the Card?



### Technical Highlights

The stock had been trading below all its EMA lines as result of the consolidation activities over the past months. However, a reversal from the downtrend was seen recently when the stock rebounded and broke through the approximately 9-week long pennant pattern with growing momentum (RSI indicator is upticking). We think this rebound was healthy given the rally had sent the stock to trade above its 20-EMA line. With these positive signals, we think the upswing potential may be still on play.

Yesterday, the MACD exhibited a golden cross, which indicates strong momentum going forward. In addition, the upward-pointing 20-EMA and RSI lines confirm its short-term bullishness.

With the pattern break-out supported by growing momentum, we think the share could test the resistance at RM0.220 first and subsequently at RM0.245. Conversely, consolidation starts if the share price dips below the RM0.175 support.

**Entry** – RM-0.185 – RM0.195  
**Stop Loss** – RM0.165  
**Target Price** – RM0.220 – RM0.245

### Technical

<b>Resistance 1 (RM)</b>	0.220
<b>Resistance 2 (RM)</b>	0.245
<b>Support 1 (RM)</b>	0.175
<b>Support 2 (RM)</b>	0.155
<b>MACD</b>	Positive
<b>RSI</b>	Positive

### Stock Information

<b>Last Close (RM)</b>	0.195
<b>52-week High (RM)</b>	0.450
<b>52-week Low (RM)</b>	0.150

### Company Profile

AT Systemization Berhad is an integrated designer and manufacturer of industrial automation systems and precision engineering solutions.

## 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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Registration No. 198401000672 (113193-W)  
L-7-2, No 2, Jalan Solaris, Solaris Mont' Kiara,  
50480 Kuala Lumpur  
Telephone: (603) - 6203 7227  
Website: [www.mercurysecurities.com.my](http://www.mercurysecurities.com.my)  
Email: [mercurykl@mersec.com.my](mailto:mercurykl@mersec.com.my)