

# Hibiscus Petroleum (5199)

## Breaking Free from Downtrend



### Technical Highlights

The stock had been on a downtrend from April to September 2024. However, a significant shift occurred yesterday as it broke out of the downtrend line and closed above it, indicating a potential reversal. Furthermore, a bullish W-pattern is in the process of forming at the end of the trend and is currently approaching the neckline at RM2.21. The stock is now trading above the 20-day and 50-day EMAs, although it's still below the 200-day EMA, indicating there's more ground to cover for a full recovery.

Momentum indicators are aligning well with this breakout. The RSI is sitting at 55, pointing to growing strength as it moves upward from neutral momentum. Meanwhile, the MACD has formed a golden cross and is trending higher. Buying volume also has spiked to its highest level since April 2024, confirming heightened investor interest.

A pullback to the range of RM2.15 to RM2.21 will be a good entry point. The first resistance to watch is at RM2.33—should it break, the stock could rally quickly to RM2.48. Exiting above RM2.48, which previously served as a consolidation zone, may be challenging and meet with strong resistance. On the downside, if the stock dips below RM1.98, it would likely resume its downtrend, leading to a larger correction.

**Entry** – RM2.15 – RM2.21  
**Stop Loss** – RM1.98  
**Target Price** – RM2.33 – RM2.47

#### Technical

Resistance 1 (RM)	2.33
Resistance 2 (RM)	2.47
Support 1 (RM)	2.07
Support 2 (RM)	1.98
MACD	Positive
RSI	Positive

#### Stock Information

Last Close (RM)	2.19
52-week High (RM)	2.98
52-week Low (RM)	1.88

#### Company Profile

Hibiscus Petroleum Berhad is an independent upstream exploration and production company that explores for oil and gas. The company has operations in the Middle East, Norway and Oceania regions.

# Malayan Flour (3662)

## Holding Above Key Levels



### Technical Highlights

The stock has been moving upward since early 2024 but started trending downward in June. During this downtrend, a forming triangle pattern was spotted. Yesterday, the stock broke out of the pattern with a 4% gain and is now trading above all three key EMAs. It also formed a bullish W pattern under the pink resistance line. If the stock holds above this line, we could see a further upside potential, and strengthen the bullish outlook.

Momentum indicators are positive. RSI is trading at 62 and continues to climb. MACD has also moved upward and turned positive, which is a good sign for the stock's momentum. Additionally, buying volume has surged to its highest level since June 2024, reigniting investor interest and potentially continuing the uptrend.

In terms of entry points, a favourable range would be between RM0.750 and RM0.770. The first major resistance is at RM0.775. A successful break and hold at this level would confirm the bullish W pattern, pushing the stock toward RM0.840, near its 52-week high. However, on the downside, if the stock falls below RM 0.700, it could retrace further to around RM0.640, which previously served as a consolidation zone.

**Entry** – RM0.750 – RM0.770  
**Stop Loss** – RM0.700  
**Target Price** – RM0.775 – RM0.840

### Technical

<b>Resistance 1 (RM)</b>	0.775
<b>Resistance 2 (RM)</b>	0.840
<b>Support 1 (RM)</b>	0.735
<b>Support 2 (RM)</b>	0.700
<b>MACD</b>	Positive
<b>RSI</b>	Positive

### Stock Information

<b>Last Close (RM)</b>	0.760
<b>52-week High (RM)</b>	0.865
<b>52-week Low (RM)</b>	0.630

### Company Profile

Malayan Flour Mills Berhad mills and sells wheat flour. The Company, through its subsidiaries, manufactures and sells animal feeds, provides transportation services and breeds chicks.

## 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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