

Global Oriental (1147)

Symmetrical Triangle Breakout



Technical Highlights

Over the past five months, the stock has been steadily forming a symmetrical triangle pattern, reflecting a period of consolidation as the price tightened into a narrowing range. Last Friday, this pattern was broken out with a significant 13% surge, marking a strong breakout from the previous consolidation. The breakout has now pushed the stock above all three key EMAs, signalling a potential shift in momentum to the upside.

Momentum indicators are aligning well with this breakout. The RSI is currently sitting at 62, moving upward from a recent bounce off the 50 level. Though not yet in overbought level, this upward momentum indicated continued buying interest. Additionally, the MACD also has seen a sharp upward turn, supported by increasing buying volume, reinforcing the stock's current bullish sentiment.

Looking ahead, a pullback to the range of RM0.210 to RM0.215 could offer good entry points. The first resistance stands at RM 0.235. A successful break above this level would set the stage for a move toward the next resistance at RM 0.265. If the stock can maintain support above RM 0.265 for a sustained period, it has the potential to climb even higher. On the flip side, if the stock dips below RM 0.185, it will be pulling the price back into the accumulation zone.

Entry – RM0.210 – RM0.215
Stop Loss – RM0.185
Target Price – RM0.235 – RM0.265

Technical

| | |
|-------------------|----------|
| Resistance 1 (RM) | 0.235 |
| Resistance 2 (RM) | 0.265 |
| Support 1 (RM) | 0.200 |
| Support 2 (RM) | 0.185 |
| MACD | Positive |
| RSI | Positive |

Stock Information

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|-------------------|-------|
| Last Close (RM) | 0.215 |
| 52-week High (RM) | 0.325 |
| 52-week Low (RM) | 0.170 |

Company Profile

Global Oriental Berhad core competency is in the property development industry. The company township developments comprise of mixed residential and commercial properties that are mainly located in Klang Valley and Penang.

Edaran (5036)

Bull Flag Pattern Breakout



Technical Highlights

Since the beginning of 2024, the stock has been consolidating for seven months until July. It then surged by over 100% in August, establishing a strong uptrend. Recently, it has continued the upward momentum, but saw a pullback in September, forming a bullish flag pattern. Last week, the stock broke out of the bullish flag but is currently facing resistance at the 50-day and 20-day EMAs. It's still staying above the 200-day EMA, supporting a long-term bullish outlook.

Momentum indicators are showing signs of improvement. The RSI is currently at 47, and after a month of neutral movement, it's trending upward. Although the MACD is moving in a neutral manner, it still hasn't shown any signs of turning downward, indicating stability.

The entry point would be between RM1.50 to RM1.60. If the bull flag breakout holds, it could target the first resistance at RM1.73. A successful break above that could push it toward the second resistance at RM1.96. On the flip side, strong support lies at RM1.46, a key level that acted as resistance during the seven-month consolidation in June, which has now flipped to support.

Entry – RM1.50 – RM1.60
Stop Loss – RM1.38
Target Price – RM1.73 – RM1.96

Technical

| | |
|-------------------|----------|
| Resistance 1 (RM) | 1.73 |
| Resistance 2 (RM) | 1.96 |
| Support 1 (RM) | 1.46 |
| Support 2 (RM) | 1.38 |
| MACD | Neutral |
| RSI | Positive |

Stock Information

| | |
|-------------------|------|
| Last Close (RM) | 1.55 |
| 52-week High (RM) | 2.90 |
| 52-week Low (RM) | 0.50 |

Company Profile

Edaran Berhad is an investment holding company. The Company, through its subsidiaries, provides information technology solutions and 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">- current high less the current low;- the absolute value of the current high less the previous close;- the absolute value of the current low less the previous close; |
| 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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