

Inari Amerton (0166)

Bullish Falling Wedge Pattern



Technical Highlights

The stock has been moving upward since mid-2022, but after reaching a high of RM4.03, it fell to a 52-week low of RM2.71. During this decline, a bullish falling wedge pattern formed, and yesterday, it broke out of this pattern with strong volume. Although the stock is still trading below the key EMAs, if buying momentum continues to build, it could soon rise above those levels.

Momentum indicators are looking good. The RSI is currently at 46.2 and continues to rise, suggesting increasing strength. Additionally, last week's golden cross on the MACD aligns with the steady rise in volume, further supporting the case for a bullish reversal.

The ideal entry range for this stock is between RM2.81 and RM2.88. If it can break the first resistance at RM3.00, there's potential for a climb towards RM3.25. Should the stock manage to trade above RM3.25, it could challenge the next resistance level at RM3.52. However, if the stock drops to RM2.66, it may signal the start of a correction.

Entry – RM2.81 – RM2.88
Stop Loss – RM2.66
Target Price – RM3.00 – RM3.25

Technical

Resistance 1 (RM)	3.00
Resistance 2 (RM)	3.25
Support 1 (RM)	2.77
Support 2 (RM)	2.66
MACD	Positive
RSI	Positive

Stock Information

Last Close (RM)	2.86
52-week High (RM)	4.03
52-week Low (RM)	2.71

Company Profile

Inari Amertron Berhad involved in the electronics manufacturing services (EMS) industry. The company provides semiconductor packaging services such as backend wafer processing, assembly and testing for global customers in Radio Frequency (RF).

Niche Capital Emas (7139)

Breakout After 3-Year Wait



Technical Highlights

This stock has been in a consolidation zone for nearly three years, forming a triangle pattern during this period. After four failed attempts to break through the trendline, it finally managed to do so yesterday. The breakout has resulted in the stock trading above all three key EMAs, signalling strong upward momentum.

Momentum indicators also support this bullish movement. The RSI is currently sitting at 70 and continues to climb, while the MACD formed a golden cross earlier this month, further reinforcing the positive outlook. Trading volume has notably surged, reaching the second-highest level this year, with only April experiencing higher volume. This indicates increased market interest.

The ideal entry point lies between RM0.160 and RM0.170. If the stock tests and surpasses its first resistance at RM0.175, it has the potential to rally toward its previous high of RM0.215. However, if the price falls below RM0.145, this would indicate a false breakout, likely pushing the stock back into its consolidation zone.

Entry – RM0.160 – RM0.165
Stop Loss – RM0.145
Target Price – RM0.175 – RM0.215

Technical

Resistance 1 (RM)	0.175
Resistance 2 (RM)	0.215
Support 1 (RM)	0.155
Support 2 (RM)	0.145
MACD	Positive
RSI	Neutral

Stock Information

Last Close (RM)	0.165
52-week High (RM)	0.165
52-week Low (RM)	0.100

Company Profile

Niche Capital Emas Holdings Bhd manufactures gold jewelers and ornaments. The company distributes necklaces, rings, bracelet and earrings.

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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Published & Printed By:

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