

Genetec (0104)

Golden Cross on the Way?



Technical Highlights

The stock has been trending downward since June and entered a consolidation phase in September 2024. In this consolidation zone, a bear trap emerged in late October, followed by an impressive 48% surge. After this rally, the stock pulled back to its key support level, where it has shown signs of stabilisation with increased buying volume, rebounding off this support level. Currently, it is trading above the 20-day EMA and may soon test the 50-day EMA, though progress toward the 200-day EMA could take some time.

Momentum indicators are looking good. The RSI is trending upwards at around 53, while the MACD has also been moving higher, indicating a potential golden cross.

An ideal entry range is between RM0.82 and RM0.85, aligning with the recent bounce off key support. The first resistance level is the 50-day EMA at RM0.96; a successful breakthrough could lead the stock to test a second resistance at RM1.08. However, a drop below RM0.75 would indicate waning consolidation momentum and a further correction.

Entry – RM0.82 – RM0.85

Stop Loss – RM0.75

Target Price – RM0.96 – RM1.08

Technical

Resistance 1 (RM)	0.96
Resistance 2 (RM)	1.08
Support 1 (RM)	0.80
Support 2 (RM)	0.75
MACD	Positive
RSI	Positive

Stock Information

Last Close (RM)	0.85
52-week High (RM)	2.48
52-week Low (RM)	0.66

Company Profile

Genetec Technology Berhad designs and develops both customized and standardized industrial automated equipment for high technology related manufacturing companies.

Dayang (5141)

Nearing Head & Shoulders Breakout



Technical Highlights

The stock has completed an inverse head and shoulders pattern and is now awaiting breakout confirmation. This potential breakout is supported by strong buying volume, the highest since June 2024, which aligns with the pattern's setup. The stock has faced consistent resistance from a downward trendline, with pullbacks on each of the previous touches. However, on the fourth touch, the stock has broken above all three key EMAs, increasing the chances of a confirmed inverse H&S breakout.

Momentum indicators are showing a positive trend. The RSI is trending upward, currently at 56, after a recent bounce from 48. Meanwhile, the MACD has also moved upward and formed a golden cross earlier this month.

An ideal entry range is between RM2.24 and RM2.30, with the first resistance at RM2.35, marking the neckline of the inverse head and shoulders pattern. If the breakout holds, the stock will target the second resistance at RM2.58. On the downside, a drop below RM2.18 would break the shoulder support, potentially leading to a further decline toward RM2.10.

Entry – RM2.24 – RM2.30
Stop Loss – RM2.10
Target Price – RM2.35 – RM2.58

Technical

Resistance 1 (RM)	2.35
Resistance 2 (RM)	2.58
Support 1 (RM)	2.18
Support 2 (RM)	2.10
MACD	Positive
RSI	Positive

Stock Information

Last Close (RM)	2.27
52-week High (RM)	3.09
52-week Low (RM)	1.43

Company Profile

Dayang Enterprise Holdings Bhd provides offshore maintenance services. The company also offers minor fabrication operations, offshore hook-ups, and commissioning and chartering of marine vessels.

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 recognizable 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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