

Cloudpoint Tech (0277)

Triangle Pattern Breakout



Technical Highlights

The stock was in the uptrend movement from early Mar to late July. Upon reaching its peak, the stock entered a market correction phase as trading momentum cooled off. However, renewed trading interest reignited the stock's recovery, which appeared strong, supported by a pattern of higher highs and higher lows. The sustained positive momentum also triggered a triangle pattern breakout yesterday, further supporting the potential for more upside movement in the stock.

Momentum indicators are strengthening. The RSI is picking up gradually, indicating the gradual accumulation of the stock's buying interest. Meanwhile, the recent display of the golden cross in the MACD further reinforces the build-up of strong momentum in the stock.

A strategic entry point can be observed in the range between RM0.84 and RM0.86. If the trading momentum is sustained, this could push the stock to challenge its first target resistance at RM0.885. Any breach beyond this point would warrant the stock to challenge its subsequent resistance at RM0.940. Conversely, a false pattern breakout could happen if the stock dips below its RM0.770 crucial support level.

Entry – RM0.840 – RM0.860
Stop Loss – RM0.730
Target Price – RM0.885 – RM0.940

Technical

Resistance 1 (RM)	0.885
Resistance 2 (RM)	0.940
Support 1 (RM)	0.770
Support 2 (RM)	0.700
MACD	Positive
RSI	Positive

Stock Information

Last Close (RM)	0.86
52-week High (RM)	1.03
52-week Low (RM)	0.506

Company Profile

Cloudpoint Technology Berhad specialises in providing data-center networking, cyber-security, servers, storage and data management and hybrid IT solutions.

Autocount Dotcom (0276)

Ascending Triangle Breakout



Technical Highlights

The stock underwent a consolidation phase from early July to early September, with the 200-day EMA serving as its key support level. After touching this support, the stock began a gradual rebound, forming an ascending movement pattern. Yesterday, a significant spike in trading momentum pushed the stock sharply higher, breaking out of the ascending triangle pattern. These bullish technical signals suggest the potential for further upward movement in the stock.

Momentum indicators are favourable. The RSI continued to climb, indicating the build-up of buying interest. Similarly, the short-term bullishness of the stock is further ascertained by the upward-pointing MACD line.

A good entry opportunity lies in the range between RM0.98 and RM1.00. The first target resistance for the stock to test would be at RM1.03. If the sustained momentum pushes the stock higher and breaks above this point, the RM1.14 level would be the next resistance target to challenge. On the flipside, the stock could potentially consolidate towards RM0.850 if it dips below its recent support level at RM0.945.

Entry – RM0.980 – RM1.00
Stop Loss – RM0.900
Target Price – RM1.03 – RM1.14

Technical

Resistance 1 (RM)	1.03
Resistance 2 (RM)	1.14
Support 1 (RM)	0.945
Support 2 (RM)	0.850
MACD	Positive
RSI	Positive

Stock Information

Last Close (RM)	1.00
52-week High (RM)	1.27
52-week Low (RM)	0.612

Company Profile

Autocount Dotcom Bhd is a technology solution provider that specializes in developing and marketing accounting software, point of sale system and cloud payroll 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">- 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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