

# Avaland (5182)

## Momentum-led Trend Reversal



### Technical Highlights

From early May to late July, the stock was in a downtrend movement as trading momentum declined sharply. Then, the stock rebounded from its trough before entering into a neutral trend movement, which led to the formation of a triangle pattern. Yesterday, the spike in trading momentum caused the stock to gap up and breach the triangle pattern. With the initiation of a pattern breakout, this could signal a potential trend reversal in the stock.

Momentum indicators are supportive of the trend reversal. The RSI is spiking up from oversold territory, indicating the commencement of new buying waves. Additionally, the strong buying interest pushed the MACD upward and initiated a golden cross yesterday, further confirming the stock's bullish momentum.

A strategic entry point lies within the range of RM0.280 to RM0.290. The immediate resistance to monitor is at RM0.305, a key level within close reach. Should the bullish momentum persist, the stock could aim for its next resistance at RM0.340. On the downside, a loss of momentum and a dip below the RM0.265 support level could signal a potential false trend reversal.

**Entry** – RM0.280 – RM0.290  
**Stop Loss** – RM0.245  
**Target Price** – RM0.305 – RM0.340

#### Technical

<b>Resistance 1 (RM)</b>	0.305
<b>Resistance 2 (RM)</b>	0.340
<b>Support 1 (RM)</b>	0.265
<b>Support 2 (RM)</b>	0.220
<b>MACD</b>	Positive
<b>RSI</b>	Positive

#### Stock Information

<b>Last Close (RM)</b>	0.290
<b>52-week High (RM)</b>	0.395
<b>52-week Low (RM)</b>	0.220

#### Company Profile

Avaland Berhad is a property developer that focuses on the development of residential high-rise with architectural services.

# Infoline Tec (0253)

## Further Uptrend Ahead?



### Technical Highlights

In mid-August, the stock entered into an ascending trend movement as buying interest saw sharp upticks. During this period, a false trend reversal signal was observed when the stock jumped up initially but pulled back at the closing in mid-October. The pullback was temporary as the stock quickly regained momentum. Yesterday, a surge in buying interest propelled the stock significantly higher, triggering an ascending triangle pattern breakout. This also breached the recent high price point of RM0.99, a crucial resistance level. With multiple positive signals aligning, we think the triangle pattern breakout is credible, supporting the likelihood of further upside movement.

Momentum indicators are favourable. The RSI continued accelerating towards the overbought zone, signalling that buying interest remains intact. Meanwhile, both the upward-pointing 20-day EMA and MACD lines confirm the build-up of strong positive momentum in the stock.

A strategic entry point can be seen in the range between RM0.99 and RM1.01. The first target resistance for the stock to test would be at RM1.05. Should the stock continue to trend upward and break above this point, the RM1.11 level would be the next resistance target to challenge. Conversely, the stock could potentially enter into a consolidation phase if it dips below RM0.935, a crucial support level.

**Entry** – RM0.990 – RM1.01  
**Stop Loss** – RM0.900  
**Target Price** – RM1.05 – RM1.11

### Technical

Resistance 1 (RM)	1.05
Resistance 2 (RM)	1.11
Support 1 (RM)	0.935
Support 2 (RM)	0.893
MACD	Positive
RSI	Positive

### Stock Information

Last Close (RM)	1.01
52-week High (RM)	1.19
52-week Low (RM)	0.659

### Company Profile

Infoline Technology Group Bhd is a company principally provides information technology infrastructure and cyber security 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"><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 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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