

# Vitrox (0097)

## Bullish W-Pattern in Formation



### Technical Highlights

The stock experienced a downtrend from June 2024, reaching its trough in September. Since then, it has reversed into an uptrend and is now forming a bullish W-shaped pattern, with the ceiling of the pattern at RM3.67. The stock is currently trading above the 20-day and 50-day EMAs, but a key test lies ahead as it approaches the 200-day EMA.

Momentum indicators support this bullish outlook, with the MACD nearing a golden cross, signalling strengthening upward momentum. The RSI is at 56, reflecting moderate bullish sentiment, while increasing buying pressure is evident from rising volume levels.

An ideal entry range lies between RM3.52 and RM3.58, with the first resistance at RM3.67, aligning with the W-pattern ceiling and the 200-day EMA. A successful breakout could see the stock rally toward the next resistance at RM3.88. Conversely, if the stock falls below RM3.34, it would break the uptrend line, indicating the start of a correction and a potential shift in momentum.

**Entry** – RM3.52 – RM3.58

**Stop Loss** – RM3.34

**Target Price** – RM3.67 – RM3.88

#### Technical

<b>Resistance 1 (RM)</b>	3.67
<b>Resistance 2 (RM)</b>	3.88
<b>Support 1 (RM)</b>	3.43
<b>Support 2 (RM)</b>	3.34
<b>MACD</b>	Positive
<b>RSI</b>	Positive

#### Stock Information

<b>Last Close (RM)</b>	3.58
<b>52-week High (RM)</b>	5.90
<b>52-week Low (RM)</b>	3.01

#### Company Profile

Vitrox Corporation Bhd develops and produces automated vision inspection systems. The company provides machine vision solutions for semiconductor integrated circuit inspection.

# Rapid Synergy (7765)

## Falling Wedge Breakout Soon



### Technical Highlights

The stock has been forming a falling wedge pattern since June 2024, with the resistance line tested twice previously but failing to break out. Yesterday, the stock tested this resistance line again and is now trading above the 20-day and 50-day EMAs, signalling a potential breakout as bullish momentum builds.

Momentum indicators look promising, with the RSI at 60 and trending upward after a recent bounce. Furthermore, the MACD formed a golden cross last week and is steadily heading higher. Buying pressure has reached its highest level since September, adding strength to the potential breakout scenario.

A favourable entry point for this stock is between RM0.665 and RM0.680, with the first resistance at RM0.705. If this level is successfully breached, the next resistance at RM0.750 could be tested. Breaking through this second level, which has acted as consolidation zone since August, could pave the way for a further rally toward RM0.820. On the flip side, if the stock falls below RM0.625, it will trigger a correction.

**Entry** – RM0.665 – RM0.680  
**Stop Loss** – RM0.625  
**Target Price** – RM0.705 – RM0.750

### Technical

<b>Resistance 1 (RM)</b>	0.705
<b>Resistance 2 (RM)</b>	0.750
<b>Support 1 (RM)</b>	0.650
<b>Support 2 (RM)</b>	0.625
<b>MACD</b>	Positive
<b>RSI</b>	Positive

### Stock Information

<b>Last Close (RM)</b>	0.675
<b>52-week High (RM)</b>	1.080
<b>52-week Low (RM)</b>	0.605

### Company Profile

Rapid Synergy Berhad manufactures precision tools, dies, and molds for the semiconductor and electronic industry. Rapid Synergy also develops and invest in property.

## 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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