

Kimlun (5171)

Breaking Free from Downtrend



Technical Highlights

The stock recently formed a falling wedge pattern as it consolidated within a range. Upon reaching the recent low point, the stock began to rebound which coincided with the resurgence in buying interest. Last Friday, sustained strong buying interest pushed the stock to close higher and break out of the pattern. The last closing price also marked the stock breaching its 20-day EMA line. All in all, these signal multiple positive indicators for further upward movement.

Momentum indicators are supportive of the stock's bullish outlook. The RSI is accelerating from oversold territory, marking the return of buying interest. Similarly, the strong buying interest last Friday triggered a golden cross in the MACD, reinforcing the stock's positive momentum.

Waiting for a slight pullback to the RM1.14–RM1.16 range could present an ideal entry point. The first resistance to watch is RM1.21, and if it breaks, the stock could aim for the next target at RM1.27. This level, previously a strong support, now acts as a significant resistance. On the downside, a drop below RM1.09 could indicate a false breakout, potentially leading to the start of a consolidation phase.

Entry – RM1.14 – RM1.16
Stop Loss – RM1.02
Target Price – RM1.21 – RM1.27

Technical

Resistance 1 (RM)	1.21
Resistance 2 (RM)	1.27
Support 1 (RM)	1.09
Support 2 (RM)	0.985
MACD	Positive
RSI	Positive

Stock Information

Last Close (RM)	1.16
52-week High (RM)	1.77
52-week Low (RM)	0.774

Company Profile

Kimlun Corporation Bhd is an engineering and construction service provider specialises in infrastructure and building construction, construction management, provision of IBS and concrete products manufacturing.

Cuscapi (0051)

Double Bottom Breakout



Technical Highlights

After reaching its 52-week high in early June, the stock fell into a wide correction phase. As trading interest waned and the stock fell into oversold territory, bargain-hunting activities reignited, sparking a recovery. Last Friday, the spike in trading interest (11.3x higher than its average 90-day trading volume) led the stock to close significantly higher and triggered a double bottom breakout. This pattern breakout sets the stage for potential further upside ahead.

Momentum indicators are showing strength. The RSI is advancing sharply toward the overbought zone, indicating sustained buying interest in the stock. Meanwhile, the exhibition of golden cross in the MACD last Friday further confirmed the stock's short-term bullish outlook.

For an ideal entry point, a range between RM0.220 and RM0.230 presents a good opportunity. The first resistance is set at RM0.245. If the stock breaks through this level, it could challenge RM0.275, the subsequent resistance level. However, a downside risk emerges if the stock falls below RM0.200, potentially signalling a false breakout and paving the way for a correction toward its 52-week low of RM0.165.

Entry – RM0.220 – RM0.230
Stop Loss – RM0.180
Target Price – RM0.245 – RM0.275

Technical

Resistance 1 (RM)	0.245
Resistance 2 (RM)	0.275
Support 1 (RM)	0.200
Support 2 (RM)	0.165
MACD	Positive
RSI	Positive

Stock Information

Last Close (RM)	0.230
52-week High (RM)	0.340
52-week Low (RM)	0.165

Company Profile

Cuscapi Berhad is a company principally involves in providing services of software and hardware implementation and customized software interface development.

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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