

IJM Corporation (3336)

Riding the W-Shaped Rebound



Technical Highlights

The stock has been on an extended bull run, reaching a peak in July 2024 before entering a consolidation phase. Since then, it has been trading within a rectangle pattern between RM2.81 and RM3.19. Notably, a W-shaped pattern has emerged and yesterday, the stock tested the key resistance zone at RM3.19, which also marks the upper boundary of the rectangle. What makes this move more significant is the trading volume, the highest since September 2024, accompanied by a breakout above the three key EMAs. Additionally, the crossover between the 20-day and 50-day EMAs further reinforces the bullish sentiment, signalling a possible trend reversal.

Momentum indicators are also looking good. The RSI has climbed steadily to 68 after hovering in neutral territory in late December. Meanwhile, the MACD has also been trending upward, indicating strengthening momentum.

An ideal range would be between RM3.09 and RM3.19, waiting for a slight pullback for better positioning. The first key resistance stands at RM3.30, followed by RM3.47. If the stock successfully clears these levels, it could challenge its 52-week high of RM3.68. On the downside, if the stock falls below RM2.94, it could return back to the previous consolidation zone near RM2.82.

Entry – RM3.09 – RM3.19

Stop Loss – RM2.94

Target Price – RM3.30 – RM3.47 – RM3.68

Technical

Resistance 1 (RM)	3.30
Resistance 2 (RM)	3.47
Support 1 (RM)	3.02
Support 2 (RM)	2.82
MACD	Positive
RSI	Positive

Stock Information

Last Close (RM)	3.19
52-week High (RM)	3.75
52-week Low (RM)	2.00

Company Profile

IJM Corporation Berhad provides constructions services. The company operates in property development, provides quarrying services, manufactures and sells premix products, cultivates oil palm, and provides education services.

Hiap Teck (5072)

Ready for a Triangle Breakout



Technical Highlights

The stock hit its peak in July 2024 before declining to its 52-week low at RM0.28. Since then, it has been forming a triangle pattern, attempting to break out of the key resistance zone between RM0.355 and RM0.365. Currently, the stock is in a squeeze zone, a clear sign that a breakout could be imminent. We also observe through the volume that bullish momentum has been building steadily since November 2024, signalling growing buyer interest. Moreover, the stock is now trading above both the 20-day and 50-day EMAs and is inching closer to the critical 200-day EMA, which, if crossed, could trigger more buying interest.

Momentum indicators are also aligning with this bullish setup. The RSI is at 56 and climbing. Similarly, the MACD has been trending upward, reflecting stronger momentum.

A good range would be between RM0.340 and RM0.350. The first key resistance is at RM0.365, which coincides with the 200-day EMA. If this level is successfully cleared, the next resistance level to watch is RM0.390. On the downside, if the stock falls below RM0.325, it would signal that selling pressure on RM0.365 is too strong, and the breakout attempt has failed, possibly triggering a further downtrend.

Entry – RM0.340 – RM0.350
Stop Loss – RM0.325
Target Price – RM0.365 – RM0.390

Technical

Resistance 1 (RM)	0.365
Resistance 2 (RM)	0.390
Support 1 (RM)	0.335
Support 2 (RM)	0.325
MACD	Positive
RSI	Positive

Stock Information

Last Close (RM)	0.350
52-week High (RM)	0.510
52-week Low (RM)	0.280

Company Profile

Hiap Teck Venture Berhad import, exports, and deals in steel products, metal hardware and building materials.

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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