

AWC (7579)

Breaking the Box, Riding the Trend



Technical Highlights

The stock began its impressive rally in January 2024, surging 160% to its peak in July, marking a 52-week high. However, after reaching that peak, the stock moved downward all the way and entered a 4-month consolidation phase. Last week, the stock finally broke out of this consolidation zone and is now trading above the critical resistance line within a rectangle box, confirming the breakout. Notably, the stock closed last Friday with a bullish dragonfly candlestick. Adding to this, the stock is also trading above all three EMA levels.

Momentum indicators further support this positive outlook. The RSI is currently at 61, indicating healthy momentum that is not yet overbought. The MACD is also trending upward, and a golden cross is on the verge of forming.

The ideal entry point for this stock is within the RM0.93 to RM0.96 range. The first resistance to watch is at RM0.98, near the top of the consolidation box. A successful break above this level could propel the stock toward the next resistance at RM1.04. Beyond that, the target is RM1.10, which marks the starting point of the previous downtrend. On the downside, if the stock drops below RM0.87, it would signal a return to the consolidation zone, breaking the uptrend line and a further downside risk.

Entry – RM0.93 – RM0.96

Stop Loss – RM0.87

Target Price – RM0.98 – RM1.04 – RM1.10

Technical

Resistance 1 (RM)	0.98
Resistance 2 (RM)	1.04
Support 1 (RM)	0.90
Support 2 (RM)	0.87
MACD	Positive
RSI	Positive

Stock Information

Last Close (RM)	0.95
52-week High (RM)	1.37
52-week Low (RM)	0.58

Company Profile

AWC Berhad provides engineering services. The company offers electrical distribution, lighting, air-conditioning and security, building controls, engineering components, and systems, as well as waste collection services.

Go Hub (0311)

Reversing the Downtrend, Climbing Higher



Technical Highlights

The stock had been on a downtrend since December 2024 but recently rebounded from a low of RM1.17 in early January. Last Monday, the stock broke out of this downtrend, forming a healthy pullback before continuing its upward move. The breakout was accompanied by a volume surge—the highest recorded since November 2024. Adding to the positive outlook, the stock is also now trading above all the three key EMAs.

Momentum indicators further affirm this positive setup. The RSI is currently trading at a healthy 51 and is still moving upward. Meanwhile, the MACD is showing signs of a potential golden cross, with the buy momentum steadily increasing. If the buying interest sustains, this golden cross formation could confirm a new bullish cycle.

The ideal entry range for this stock is between RM1.25 and RM1.30. The first resistance level to watch is RM1.32, followed by a stronger resistance at RM1.40. A successful breakout beyond these levels could see the stock climb toward RM1.44. On the downside, if the stock drops below RM1.18, it would indicate that the recent breakout was a false move, signalling a return to the downtrend.

Entry – RM1.25 – RM1.30

Stop Loss – RM1.18

Target Price – RM1.32 – RM1.40 – RM1.44

Technical

Resistance 1 (RM)	1.32
Resistance 2 (RM)	1.40
Support 1 (RM)	1.22
Support 2 (RM)	1.17
MACD	Positive
RSI	Positive

Stock Information

Last Close (RM)	1.29
52-week High (RM)	1.53
52-week Low (RM)	0.55

Company Profile

Go Hub Capital Bhd provides transportation IT solutions. The company offers development and integration of bus and rail segments, maintenance, support, terminal management, centralized ticketing, automated fare collection, and bus operating system.

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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