

# Sime Darby (4197)

## Trend Reversal Ahead?



### Technical Highlights

The stock has been in a downtrend since early May 2024, with multiple failed trend reversal attempts due to subdued buying interest. After reaching its trough (52-week low), the stock gradually recovered. On the first trading day of the Year of the Snake (last Friday), a resurgence in buying momentum (1.7x its 90-day average volume) triggered a breakout from a triangle pattern, signalling a potential trend reversal.

Momentum indicators reinforce this positive shift. The RSI continues to accelerate, indicating accumulating buying interest. Meanwhile, strong buying activity has also pushed the MACD to form a golden cross, confirming the buildup of the stock's bullish outlook.

For an ideal entry point, it can be set at the range between RM2.23 to RM2.25. If the stock can break the first resistance at RM2.30, there's potential for a climb towards RM2.36. A sustained move above this level may position the stock to challenge its next resistance at RM2.43. Conversely, a dip to RM2.17 could signal the start of a correction.

**Entry** – RM2.23 – RM2.25

**Stop Loss** – RM2.13

**Target Price** – RM2.30 – RM2.36 – RM2.43

### Technical

<b>Resistance 1 (RM)</b>	2.30
<b>Resistance 2 (RM)</b>	2.36
<b>Support 1 (RM)</b>	2.17
<b>Support 2 (RM)</b>	2.12
<b>MACD</b>	Positive
<b>RSI</b>	Positive

### Stock Information

<b>Last Close (RM)</b>	2.25
<b>52-week High (RM)</b>	2.83
<b>52-week Low (RM)</b>	2.14

### Company Profile

Sime Darby Berhad is a Malaysia-based conglomerate that specializes in offering assembling and distributions services for industrial, motors, and logistics sectors as well as the healthcare, insurance and retail segments.

# Poh Kong (5080)

## Pending Pattern Breakout?



### Technical Highlights

After peaking in early May 2024, the stock experienced a mild pullback before entering a deeper corrective phase as buying momentum weakened into oversold territory. Following its low, the stock has been gradually recovering, and with the last closing at RM1.02, it is approaching a potential channel pattern breakout. Given the strengthening technical indicators, conditions appear supportive of an imminent breakout.

Momentum indicators reinforce the bullish setup. The RSI continues to trend upward towards overbought territory, signalling sustained buying interest. Additionally, the recent exhibition of a golden cross in the MACD further confirms the bullish outlook for the stock.

An ideal entry point lies in the range of RM1.00 to RM1.02. The first resistance level to watch is RM1.04, and a breakout above this level could push the stock toward RM1.10. Beyond this, the stock has the potential to rally further to RM1.15, the stock's recent high level. On the downside, if the stock falls below RM0.945, it could mean the commencement of a correction phase.

**Entry** – RM1.00 – RM1.02

**Stop Loss** – RM0.910

**Target Price** – RM1.04 – RM1.10 – RM1.15

#### Technical

Resistance 1 (RM)	1.04
Resistance 2 (RM)	1.10
Support 1 (RM)	0.945
Support 2 (RM)	0.900
MACD	Positive
RSI	Positive

#### Stock Information

Last Close (RM)	1.02
52-week High (RM)	1.29
52-week Low (RM)	0.826

#### Company Profile

Poh Kong Holdings Bhd is a company mainly engages in manufacturing and retailing of jewelry.

## 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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