

Hartalega (5168)

Breakout Confirmed, Strong Volume



Technical Highlights

The stock hit a bottom in September 2024 and has been on an uptrend since, reaching a new 52-week high of RM4.11 in December. However, after that peak, it started moving downward, breaking out from the previous uptrend. Despite this, the stock formed a triangle pattern, and just yesterday, it successfully broke out of this pattern with strong volume—the highest since November 2024. Adding to the positive sentiment, the stock is still trading above the 200-day EMA, though it will soon face resistance at the 20-day and 50-day EMAs.

Momentum indicators are also showing strength. The RSI is at 46 and rebounding sharply after two months of neutral momentum, indicating buyers are stepping in. Meanwhile, the MACD is on the verge of forming a golden cross as selling pressure continues to decline.

For an ideal entry, the stock looks attractive between RM3.48 and RM3.52. The first resistance is at RM3.61, and if broken, the next target is RM3.78. A successful breakout above both would put the stock on track to challenge the 52-week high near RM3.97. On the downside, if the stock falls below RM3.28 (2nd support level), this would indicate a false breakout and the stock could continue to trend downwards.

Entry – RM3.48 – RM3.52

Stop Loss – RM3.28

Target Price – RM3.61 – RM3.78 – RM3.97

Technical

Resistance 1 (RM)	3.78
Resistance 2 (RM)	3.98
Support 1 (RM)	3.44
Support 2 (RM)	3.28
MACD	Positive
RSI	Positive

Stock Information

Last Close (RM)	3.51
52-week High (RM)	4.11
52-week Low (RM)	2.38

Company Profile

Hartalega Holdings Bhd. Manufactures a wide range of latex gloves. The company's products include natural rubber examination gloves, nitrile examination gloves, nitrile clean room gloves and natural rubber surgical gloves.

Synergy House (0279)

Trend Remains Bullish After Breakout



Technical Highlights

The stock has broken out of its consolidation zone and reached a peak of RM1.36 in November 2024. Since then, it has been moving downward but remains above its previous consolidation level. During this period, a triangle pattern formed, and last week, the stock broke out from the squeeze zone with strong volume. Just yesterday, it closed with a strong bullish candlestick and is now trading above all three key EMAs.

Momentum indicators support further upside potential. The RSI is currently at 56 and still trending upward, indicating increasing buying pressure. Meanwhile, the MACD formed a golden cross last week and also continues to rise.

An ideal entry for this stock would be between RM1.13 and RM1.16. The first resistance is at RM1.20, with the next target at RM1.30. If the stock successfully breaks both, it will challenge RM1.36 as the third resistance. This setup offers an attractive risk-reward ratio above 3, making it a compelling trade opportunity.

Entry – RM1.13 – RM1.16

Stop Loss – RM1.08

Target Price – RM1.20 – RM1.30 – RM1.36

Technical

Resistance 1 (RM)	1.20
Resistance 2 (RM)	1.30
Support 1 (RM)	1.08
Support 2 (RM)	1.05
MACD	Positive
RSI	Positive

Stock Information

Last Close (RM)	1.16
52-week High (RM)	1.89
52-week Low (RM)	0.78

Company Profile

Synergy House Berhad designs and exports furniture. The company offer bedroom, living room, and dining room furniture such as wardrobes, study desks, chest drawers, nightstands, cabin beds, television cabinets, sideboards, coffee tables, dining tables, dining chairs, and benches.

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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Published & Printed By:

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