

VSTECS (5162)

Rebounds Strongly from 200-Day EMA



Technical Highlights

After the first bounce from the 200-day EMA, the stock climbed to a peak of RM4.18 before entering a downtrend. It has since rebounded twice from the same moving average, showing resilience. Additionally, the recent rebound was strong, enabling the stock to trade above both the key support zone and the 20-day and 50-day EMAs with substantial volume.

Momentum indicators are looking good. The RSI is at 53 and still moving upward. Meanwhile, the MACD formed a golden cross last week and continues to rise, signalling a potential bullish trend.

An ideal entry range is RM3.36 to RM3.71, with the first resistance at RM3.72. A breakout here could push the stock toward RM3.90, and if momentum persists, it may retest the RM4.18 peak. On the downside, if the stock falls below RM3.49, it will break below the key EMAs and may continue to decline. This setup presents an attractive risk-reward ratio of 3.3.

Entry – RM3.63 – RM3.71

Stop Loss – RM3.49

Target Price – RM3.72 – RM3.90 – RM4.18

Technical

Resistance 1 (RM)	3.72
Resistance 2 (RM)	3.90
Support 1 (RM)	3.56
Support 2 (RM)	3.45
MACD	Positive
RSI	Positive

Stock Information

Last Close (RM)	3.71
52-week High (RM)	4.52
52-week Low (RM)	1.47

Company Profile

VSTECS Berhad distributes information and communication technology products. The company offers a range of notebooks, personal computers, smartphones, tablets, wearables, printers, network and communication infrastructure servers. And enterprise software systems.

Azam Jaya (5329)

Trend Shift on the Horizon



Technical Highlights

The stock has been forming a symmetrical triangle pattern and is currently in the squeeze zone. It remains above a key support level and is also trading above the 200-day EMA. However, it is still below the 20-day and 50-day EMAs, which may soon be tested as potential resistance levels.

Momentum indicators are showing positive signals. The RSI is currently at 46 and showing signs of an upward move. Meanwhile, the MACD is on the verge of forming a golden cross, which could indicate a potential bullish breakout.

The ideal entry range for this stock is between RM1.04 and RM1.06. The first key resistance to watch is at RM1.09, and a successful breakout could push the stock toward RM1.15. If it surpasses both levels, the next target would be the near 52-week high at RM1.23. However, if the stock trades below RM1.00, it would indicate a bearish breakout, suggesting a potential decline toward the 200-day EMA.

Entry – RM1.04 – RM1.06

Stop Loss – RM1.00

Target Price – RM1.09 – RM1.15 – RM1.23

Technical

Resistance 1 (RM)	1.09
Resistance 2 (RM)	1.15
Support 1 (RM)	1.03
Support 2 (RM)	1.00
MACD	Positive
RSI	Positive

Stock Information

Last Close (RM)	1.06
52-week High (RM)	1.32
52-week Low (RM)	0.79

Company Profile

Azam Jaya Bhd offers building construction, civil engineering works, and land development services. The company serves private and public sector clients in Malaysia.

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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