

Exsim Hospitality (1287)

Triangle Breakout in Action



Technical Highlights

Following its impressive rally since early 2024, the stock underwent a healthy pullback in 2H24, finding solid support at RM0.330 and forming a triangle consolidation. Yesterday, it finally broke out of this triangle with massive volume—the highest since September 2024. Additionally, this breakout has pushed the stock above all three key EMAs, reinforcing its bullish momentum.

Momentum indicators are flashing positive signals. The RSI has rebounded from 48 to 70 and is still trending upward. Meanwhile, the MACD also has finally formed a weekly base of golden cross.

An ideal entry range would be between RM0.350 and RM0.360, with an initial resistance level at RM0.395. A successful breakout above this could pave the way for a test of the 52-week high at RM0.440. However, if the stock dips below RM0.330—near the bottom of the consolidation zone, it could indicate a deeper correction and invalidate the bullish setup.

Entry – RM0.350 – RM0.360
Stop Loss – RM0.330
Target Price – RM0.395 – RM0.440

Technical

Resistance 1 (RM)	0.395
Resistance 2 (RM)	0.440
Support 1 (RM)	0.345
Support 2 (RM)	0.330
MACD	Positive
RSI	Positive

Stock Information

Last Close (RM)	0.360
52-week High (RM)	0.440
52-week Low (RM)	0.110

Company Profile

Exsim Hospitality Bhd manufactures carton boxes, general packaging products, and self-adhesive sticker labels. Exsim Hospitality also trades building materials, provides money lending, nominee, and custodian services and operates a hotel and resort.

Power Root (7237)

The Bulls Are Charging



Technical Highlights

The stock found its bottom in September 2024 at RM1.34 and has been steadily recovering since then. However, after breaking above the 200-day EMA, it faced resistance and pulled back, forming a pattern resembling a bull flag. Yesterday, the stock gained 3.6% and is now approaching a key breakout level. A successful breakout would push the stock above all three key EMAs, creating more upside potential.

Momentum indicators are showing positive signs. The RSI has rebounded from oversold territory to 50 and is still trending upward, indicating growing strength. Meanwhile, the MACD has formed a golden cross, a classic bullish reversal signal, which aligns well with the potential pattern breakout.

An ideal entry for this stock would be between RM1.44 and RM1.46, with the first resistance at RM1.53. A breakout above this level would also mean the stock has cleared the 200-day EMA, setting up a move toward RM1.62. On the downside, if the stock drops below RM1.39, it could signal further weakness and a potential retest of the 52-week low.

Entry – RM1.44 – RM1.46
Stop Loss – RM1.39
Target Price – RM1.53 – RM1.62

Technical	
Resistance 1 (RM)	1.53
Resistance 2 (RM)	1.62
Support 1 (RM)	1.40
Support 2 (RM)	1.36
MACD	Positive
RSI	Positive

Stock Information	
Last Close (RM)	1.46
52-week High (RM)	1.86
52-week Low (RM)	1.34

Company Profile

Power Root Bhd bottles beverages. The company produces ready-to-drink coffee, tea, and energy drinks.

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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