

Malayan Cement (3794)

Breakout Play in Progress



Technical Highlights

The stock rebounded from its bottom at RM1.83 in October 2022 and has since surged over 220%. In July 2024, it started a healthy pullback, finding strong support near RM4.56 while consolidating within a rectangle pattern. Last Friday, the stock broke out from a downtrend pattern within the box and with the highest buying volume since August 24, pushing above all three key EMAs. As it nears the upper boundary of the rectangle, a successful breakout could trigger further upside.

Momentum indicators are turning bullish. The MACD has formed a golden cross last week while the RSI climbed from 41 to 59 and remains in an upward trend.

An ideal entry range is RM4.80–RM4.90. If the stock breaks above RM5.14, the next target is RM5.43. A further breakout could lead to RM5.95, the 52-week high. However, if it falls below RM4.56, it would indicate a breakdown from the key support zone, signalling potential downside.

Entry – RM4.80 – RM4.90

Stop Loss – RM4.56

Target Price – RM5.14 – RM5.43 – RM5.95

Technical

Resistance 1 (RM)	5.14
Resistance 2 (RM)	5.43
Support 1 (RM)	4.71
Support 2 (RM)	4.56
MACD	Positive
RSI	Positive

Stock Information

Last Close (RM)	4.90
52-week High (RM)	5.95
52-week Low (RM)	4.54

Company Profile

Malayan Cement Berhad manufactures, sells, and distributes cement and clinker. The company offers ready-mixed concrete, provides shipping services, leases vessels, and trades building materials.

T7 Global (7228)

Breaking the Downtrend Barrier



Technical Highlights

The stock has been in a downtrend since testing its 52-week high at RM0.550. However, last Friday, it gained over 5.4%, breaking through the downtrend. This breakout also pushed the stock above all three key EMAs and if the stock manage to stay above the downtrend trend, it could have a further room of upside.

Momentum indicators are looking good. The RSI has bounced from 47 to 65 and is still climbing, while the MACD formed a golden Cross earlier this month and continues to trend upward.

An ideal entry would be after a slight pullback, within the RM0.490–RM0.500 range. The first resistance to watch is RM0.515, followed by the 52-week high at RM0.550. On the downside, if the stock falls below RM0.470, it could resume its downtrend, requiring caution.

Entry – RM0.490 – RM0.500
Stop Loss – RM0.470
Target Price – RM0.515 – RM0.550

Technical

Resistance 1 (RM)	0.515
Resistance 2 (RM)	0.550
Support 1 (RM)	0.480
Support 2 (RM)	0.455
MACD	Positive
RSI	Positive

Stock Information

Last Close (RM)	0.500
52-week High (RM)	0.550
52-week Low (RM)	0.425

Company Profile

T7 Global Berhad provides services to the oil and gas sector. The company offers topside maintenance, engineering, construction, installation, procurement, commissioning, project management, structural fabrication, marine, underwater, and subsea services, as well as aerospace engineering, skilled manpower, and property services.

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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