

SNS Network (0259)

Trend Reversal in Sight?



Technical Highlights

The stock formed a head and shoulders pattern throughout 2024, leading to a downtrend that bottomed at RM0.340. Since then, it has rebounded strongly, supported by the highest buying volume since January 2025. The stock is now attempting to break out from its downtrend pattern, and if buying volume remains strong in the coming sessions, it could soon challenge the three key EMAs.

Momentum indicators are turning positive. The RSI has rebounded from an oversold level of 15 to 30, with an upward trajectory. Meanwhile, the MACD is recovering as selling pressure fades and is on the verge of forming a golden cross, a bullish signal.

An ideal entry for this stock is RM0.385 – RM0.405. The first resistance is at RM0.475, and a breakout could push it toward RM0.520, a major resistance level. However, if the stock falls below RM0.335, the downtrend is likely to resume.

Entry – RM0.385 – RM0.405
Stop Loss – RM0.335
Target Price – RM0.475 – RM0.520

Technical

Resistance 1 (RM)	0.475
Resistance 2 (RM)	0.520
Support 1 (RM)	0.365
Support 2 (RM)	0.335
MACD	Positive
RSI	Positive

Stock Information

Last Close (RM)	0.405
52-week High (RM)	0.960
52-week Low (RM)	0.280

Company Profile

SNS Network Technology Berhad offers technology driven solution and seamless integrated information system to end consumers, SME businesses, large corporation, and government institutions.

Dagang Nexchange (4456)

Breaking Free from Downtrend



Technical Highlights

After peaking at RM0.440 in January 2025, the stock entered a prolonged downtrend, reaching a 52-week low of RM0.245. However, last Friday, it successfully broke out from this downtrend with the highest buying volume since January 2025. If this volume sustains, the breakout will be confirmed. Despite this, the stock remains below all three key EMAs, a hurdle it must clear for further upside.

Momentum indicators are looking good. The RSI has rebounded from 17 to 45, signaling improving strength. Meanwhile, the MACD successfully formed a golden cross last Friday, a classic bullish signal that could indicate a shift in trend.

The ideal entry point is between RM0.290 – RM0.300. The first resistance to watch is RM0.335, and if it breaks, the next target is RM0.385, aligning with the 200-day EMA. On the downside, if the stock falls below RM0.245, it would signal a false breakout, and the downtrend may resume.

Entry – RM0.290 – RM0.300
Stop Loss – RM0.245
Target Price – RM0.335 – RM0.385

Technical

Resistance 1 (RM)	0.335
Resistance 2 (RM)	0.385
Support 1 (RM)	0.275
Support 2 (RM)	0.245
MACD	Positive
RSI	Positive

Stock Information

Last Close (RM)	0.305
52-week High (RM)	0.525
52-week Low (RM)	0.245

Company Profile

Dagang Nexchange Berhad operates in information communication technology and corporate. Information communication technology is engaged in supplying, delivering, installation, testing, commissioning and maintenance of IT hardware, development of information technology.

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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