

PIE Industrial (7095)

Bouncing Back, But Can It Hold?



Technical Highlights

After consolidating within a four-month range, the stock broke out and reached a peak of RM6.49 in January 2025. However, it failed to sustain the momentum and entered a sharp downtrend, hitting a 52-week low of RM2.75. Since then, the stock has rebounded from this support level, and as of Monday, it is testing the upper boundary of its downtrend channel. A breakout from this trendline would indicate potential for further upside. Currently, the stock is trading above the 20-day EMA, suggesting early signs of a recovery, but remains below the 50-day and 200-day EMAs.

Momentum indicators are turning positive. The RSI rebounded from an extreme oversold level of 12 to 49 within five days. Additionally, the resurgence of buying interest pushed the MACD to form a golden cross last Friday, signalling renewed positive momentum in the near term.

An ideal entry range for the stock is between RM3.70 to RM3.88. The first resistance level to watch is RM4.19, and if it is breached, the next target would be RM4.50. On the downside, a break below RM3.37 would indicate a resumption of the downtrend, potentially leading to a retest of the stock's 52-week low.

Entry – RM3.70 – RM3.88
Stop Loss – RM3.37
Target Price – RM4.19 – RM4.50

Technical

Resistance 1 (RM)	4.19
Resistance 2 (RM)	4.50
Support 1 (RM)	3.51
Support 2 (RM)	3.37
MACD	Positive
RSI	Positive

Stock Information

Last Close (RM)	3.88
52-week High (RM)	7.29
52-week Low (RM)	2.75

Company Profile

P.I.E. Industrial Berhad has operations in contract manufacturing service, manufactures raw material and cables, and trades personal computer peripheral products.

EG Industries (8907)

MACD Golden Cross in Action



Technical Highlights

After holding above the key RM2.36 support level for two months, the stock broke below it in late February, triggering a sharp decline to RM1.60. However, since hitting this low, the stock has staged a strong 33% rebound, recovering to its current level. It is now trading above the 20-day and 200-day EMAs, signalling improving sentiment, but remains below the 50-day EMA, which acts as the next hurdle. If the buying momentum continues, the stock could potentially challenge further upside over the horizon.

Momentum indicators are strengthening. The RSI rebounded from oversold territory and has climbed sharply to 48, still trending upward. Meanwhile, the MACD formed a golden cross on Monday, reinforcing the bullish momentum and indicating a potential shift in trend.

An ideal entry range for this stock is RM2.00 to RM2.10. The first resistance to watch is RM2.36, and if it breaks above this level, the next target would be RM2.51. On the downside, a break below RM1.80 would indicate a continuation of the downtrend, with the stock could retesting its recent low of RM1.60.

Entry – RM2.00 – RM2.10
Stop Loss – RM1.80
Target Price – RM2.36 – RM2.51

Technical

Resistance 1 (RM)	2.36
Resistance 2 (RM)	2.51
Support 1 (RM)	1.93
Support 2 (RM)	1.80
MACD	Positive
RSI	Positive

Stock Information

Last Close (RM)	2.13
52-week High (RM)	2.78
52-week Low (RM)	1.19

Company Profile

EG Industries manufactures and sell individual speaker drivers, speaker systems, and parquet flooring. The company operates as a subcontractor for the manufacturer of speaker systems received on consignment basis.

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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