

# Pharmaniaga (7081)

## A Healthy Pullback?



### Technical Highlights

The stock recently broke down from its key support zone, hitting a 52-week low of RM0.200 earlier this month. However, it rebounded strongly, surging 50% from the bottom before facing resistance at the downtrend ceiling. Since then, the stock has undergone a retracement toward the key support zone, where it is currently consolidating. Yesterday, buying volume was strong, indicating that if the stock maintains support and forms a healthy pullback, it could have a further upside potential. Notably, the stock is still trading below all the three key EMAs, but the 20-day and 50-day EMAs are approaching a potential breakout level.

Momentum indicators are signalling a bullish shift. The RSI has rebounded from its downtrend and is now hovering around the 50 level. Meanwhile, the MACD also has formed a golden cross last week and continues to trend upward.

An ideal entry point for this stock is between RM0.235 and RM0.245. The first resistance to watch is RM0.270, followed by RM0.295 if the breakout sustains. A successful breach of these levels could push the stock toward RM0.320, a major resistance that may require multiple attempts to break. On the downside, if the stock falls below RM0.200, it would signal a failed pullback and a loss of buying pressure, potentially leading to further declines.

**Entry** – RM0.235 – RM0.245

**Stop Loss** – RM0.200

**Target Price** – RM0.270 – RM0.295 – RM0.320

#### Technical

<b>Resistance 1 (RM)</b>	0.270
<b>Resistance 2 (RM)</b>	0.295
<b>Support 1 (RM)</b>	0.230
<b>Support 2 (RM)</b>	0.200
<b>MACD</b>	Positive
<b>RSI</b>	Positive

#### Stock Information

<b>Last Close (RM)</b>	0.245
<b>52-week High (RM)</b>	0.470
<b>52-week Low (RM)</b>	0.200

#### Company Profile

Pharmaniaga Berhad manufactures, markets, and distributes pharmaceutical and medical products to government hospitals and private institutions.

# Edaran (5036)

## Breaking the Downtrend



### Technical Highlights

The stock had been in a downtrend since December 2024 but successfully broke out earlier this month with strong buying volume. Following this breakout, the stock surged over 10% and is now trading above all three key EMAs. If it continues to hold above the 50-day and 200-day EMAs in the coming sessions, there will be a further upside potential as bullish momentum builds.

Momentum indicators are confirming strength. The RSI has been trending upward this month, reaching a strong level of 67. Meanwhile, the MACD formed a golden cross last week and remains in an upward trajectory, reinforcing the bullish sentiment.

A good entry point would be after a slight pullback to the RM1.40–RM1.48 range. The first resistance level to watch is RM1.60, with the next target at RM1.73 if momentum sustains. However, if the stock falls below RM1.22, it would indicate a loss of key support, potentially leading to further downside pressure.

**Entry** – RM1.40 – RM1.48  
**Stop Loss** – RM1.22  
**Target Price** – RM1.60 – RM1.73

#### Technical

<b>Resistance 1 (RM)</b>	1.60
<b>Resistance 2 (RM)</b>	1.73
<b>Support 1 (RM)</b>	1.30
<b>Support 2 (RM)</b>	1.22
<b>MACD</b>	Positive
<b>RSI</b>	Positive

#### Stock Information

<b>Last Close (RM)</b>	1.48
<b>52-week High (RM)</b>	2.90
<b>52-week Low (RM)</b>	1.04

#### Company Profile

Edaran Berhad is an investment holding company. The company provides information technology solutions and 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"><li>- current high less the current low;</li><li>- the absolute value of the current high less the previous close;</li><li>- the absolute value of the current low less the previous close;</li></ul>
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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