

Tune Protect (5230)

Double-bottom Break-out



Technical Highlights

A 10-month-long double bottom break-out is seen, backed by growing momentum (RSI is growing) and breaking through the 10-month primary resistance at RM0.375 (the black line shown). This suggests reversal of primary downtrend and the start of primary uptrend.

The MACD line has recently crossed above the signal line, which shows a strong bullish signal going forward. The 20-EMA pointing up also signifies a short-term bullish trend.

Based on the difference of RM0.045 between the high and low price of the top and bottom, we think the stock could potentially test the resistance at RM0.430 and RM0.465 (52-week high) respectively. Conversely, a drop below RM0.355 support could signal the start of a correction phase.

Entry – RM-0.385 – RM0.395
Stop Loss – RM0.350
Target Price – RM0.43 – RM0.465

Technical

Resistance 1 (RM)	0.430
Resistance 2 (RM)	0.465
Support 1 (RM)	0.355
Support 2 (RM)	0.335
MACD	Positive
RSI	Positive

Stock Information

Last Close (RM)	0.385
52-week High (RM)	0.465
52-week Low (RM)	0.320

Company Profile

TIH is principally involved in offering underwriting and reinsurance services for non-life insurance products through its subsidiaries and overseas ventures.

Divfex (0131)

Flag Break-out with Volume



Technical Highlights

A 1-months-long flag break-out is seen, accompanied by a spike in volume (6.6x higher than the 90-day average volume), suggesting strong buying interest continues. The stock is currently trading at RM0.215 (52-weeks high) which is close to breaking the crucial RM0.225 resistance level. We think breakout is underway, especially with the growing momentum (RSI>70).

The short-term bullishness is affirmative with the stock's EMA 20 pointing upward and its MACD line has been hovering above signal line for a while.

If the share price break through the RM0.225 resistance, we think it is likely to test the next resistance level at RM0.295 (all-time high). Conversely, consolidation happens if the share price falls below the RM0.20 support.

Entry – RM-0.215 – RM0.220
Stop Loss – RM0.195
Target Price – RM0.230 – RM0.295

Technical

Resistance 1 (RM)	0.230
Resistance 2 (RM)	0.295
Support 1 (RM)	0.200
Support 2 (RM)	0.175
MACD	Positive
RSI	Positive

Stock Information

Last Close (RM)	0.215
52-week High (RM)	0.215
52-week Low (RM)	0.105

Company Profile

Divfex Berhad offers computer hardware and software consulting services. The company also provides telecommunication solutions.

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 recognisable 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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