

# Kimlun Corporation (5171)

## More uptick potential?



### Technical Highlights

A positive trend was seen recently with the stock surging, sending the share price to trade above all of its EMA lines. A large green candle was formed at closing, breaking past the 2-month-long rectangular pattern with considerable momentum (RSI>70), denoting the possibility of further upward potential.

The recent golden cross shown by the MACD, paired with both the RSI and 20-EMA line facing upward, indicates positive momentum going forward.

With the growing momentum, we think the stock could potentially put the RM1.650 resistance and the subsequent RM1.850 resistance to the test (appertaining to the difference of RM0.20 between the high and low of the rectangular pattern). Conversely, a fall below RM1.430 (a few points below the recent downswing) could signal the start of a correction phase.

**Entry** – RM-1.620 – RM1.630

**Stop Loss** – RM1.420

**Target Price** – RM1.650 – RM1.850

#### Technical

<b>Resistance 1 (RM)</b>	1.650
<b>Resistance 2 (RM)</b>	1.850
<b>Support 1 (RM)</b>	1.430
<b>Support 2 (RM)</b>	1.270
<b>MACD</b>	Positive
<b>RSI</b>	Positive

#### Stock Information

<b>Last Close (RM)</b>	1.620
<b>52-week High (RM)</b>	1.620
<b>52-week Low (RM)</b>	0.715

#### Company Profile

Kimlun Corporation Berhad is an engineering and construction services provider that specialise in infrastructure and building construction, construction management, provision of IBS and manufacturer of concrete products.

# MLABS System (0085)

## Testing 52-week High?



### Technical Highlights

Yesterday, the surge in the trading volume (57.6x higher than its 90-day average trading volume) sent the share price to jump above its 200-day EMA line. More upside may be in the offing especially with the formation of a large green candle at closing, which has broken through the 16-month long double-bottom pattern with considerable momentum (RSI just surged above the overbought territory today.).

The momentum is linked to the recent golden cross on the MACD. Short-term bullishness is also supported by an upward-pointing 20-EMA line.

With the share price broke through the neckline of the double-bottom pattern at RM 0.220, we think the stock could potentially test the resistance at RM0.280 first and subsequently at RM0.340 (52-week high). These target prices are formulated from the RM0.06 difference between the peak and trough of the double-bottom pattern. Conversely, consolidation happens if the share price dips below the RM0.200 support.

**Entry** – RM-0.240 – RM0.245  
**Stop Loss** – RM0.195  
**Target Price** – RM0.280 – RM0.340

### Technical

<b>Resistance 1 (RM)</b>	0.280
<b>Resistance 2 (RM)</b>	0.340
<b>Support 1 (RM)</b>	0.200
<b>Support 2 (RM)</b>	0.166
<b>MACD</b>	Positive
<b>RSI</b>	Positive

### Stock Information

<b>Last Close (RM)</b>	0.240
<b>52-week High (RM)</b>	0.340
<b>52-week Low (RM)</b>	0.085

### Company Profile

MLABS System Berhad is a company that principally engage in manufacturing multimedia video conferencing system.

## 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 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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