

Cabinet Holdings (0191)

Multiple Signals Supporting Trend Reversal



Technical Highlights

The stock entered into a deep consolidation mode after reaching its 52-week high. A falling triangle pattern was formed as the stock consolidated within the range. Upon reaching its trough, the stock started to rebound strongly as buying interest returned. Two weeks ago, the stock broke out of the falling triangle pattern, and since then, it has been trading in a pattern of higher highs and higher lows, surpassing the key resistance level at RM0.345. This suggests that a trend reversal is likely underway.

Momentum indicators are favourable of the trend reversal. The RSI is rebounding, indicating sustained trading interest. Meanwhile, the recent exhibition of a golden cross in MACD further ascertains the short-term bullish momentum in the stock.

An ideal entry point can be seen in the range of RM0.345 to RM0.360. The first resistance lies at RM0.415, and a breakthrough here could lead the stock to test the subsequent resistance at RM0.445. Conversely, a dip below RM0.300 could indicate the start of a correction phase.

Entry – RM0.345 – RM0.360
Stop Loss – RM0.285
Target Price – RM0.415 – RM0.445

Technical

Resistance 1 (RM)	0.415
Resistance 2 (RM)	0.445
Support 1 (RM)	0.300
Support 2 (RM)	0.265
MACD	Positive
RSI	Positive

Stock Information

Last Close (RM)	0.360
52-week High (RM)	0.725
52-week Low (RM)	0.225

Company Profile

Cabinet Holdings Bhd is a company specializes in providing building management solutions, network system installation, sever virtualization, wireless networking and data centre solutions.

NCT Alliance (0056)

Trend Reversal Ahead



Technical Highlights

Since late March, the stock has been in consolidation mode, with trading momentum remaining muted. Last Friday, multiple signals supporting a potential trend reversal emerged. The surge in the trading interest pushed the stock higher, forming a bullish Marubozu candle. This momentum also triggered a triangle pattern breakout, pushing the stock above all its EMA lines. These signals collectively suggest a strong short-term bullish outlook for the stock.

Momentum indicators align with this positive outlook. The RSI is picking up strongly after a period of sideways movements, signalling the return of robust trading interest. Additionally, the golden cross formation in the MACD last Friday reinforces the build-up of bullish momentum in the stock.

A strategic entry opportunity lies within the range of RM0.460 to RM0.480. The first resistance to watch is RM0.510, and a breakout above this level could see the stock rally toward RM0.535. Conversely, a dip below RM0.415 could signal a return to the downtrend, with potential correction toward RM0.400

Entry – RM0.460 – RM0.480
Stop Loss – RM0.415
Target Price – RM0.510 – RM0.535

Technical

Resistance 1 (RM)	0.510
Resistance 2 (RM)	0.535
Support 1 (RM)	0.435
Support 2 (RM)	0.400
MACD	Positive
RSI	Positive

Stock Information

Last Close (RM)	0.480
52-week High (RM)	0.585
52-week Low (RM)	0.315

Company Profile

NCT Alliance Bhd principally engages in importing, exporting and dealing in steel products, metal hardware and building materials

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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MERCURY SECURITIES SDN BHD
Registration No. 198401000672 (113193-W)
L-7-2, No 2, Jalan Solaris, Solaris Mont’ Kiara,
50480 Kuala Lumpur
Telephone: (603) - 6203 7227
Website: www.mercurysecurities.com.my
Email: mercurykl@mersec.com.my