

Rohas Tecnic (9741)

Nearing to Key Resistance Breakout



Technical Highlights

The stock entered into broad-based correction phase as the stock consolidated from its 52-week high to 52-week low. Upon establishing a bottom recently, the stock started to rebound in tandem with the recovery of buying interest. Yesterday, the stock rallied (+9.5%) and formed a large bullish candle. At the yesterday's closing price of RM0.230, the stock is nearing to break out of the key resistance level of RM0.235, a level that was once a support level before the recent correction. Should the stock break out of this key resistance level, the stock could extend its positive trajectory in the near term.

Momentum indicators are displaying positive strength. This is evident from the sharp upward pointing RSI and the recent formation of golden cross in the MACD.

Waiting a minor pullback to RM0.225 and RM0.230 could yield a good entry opportunity. The first resistance level to watch is at RM0.235. If the stock breach above this level, the next level to challenge would be at RM0.255. A breakout above both of these levels could see the stock rally towards RM0.270. Conversely, a potential market correction phase could resurface if the stock dips below its recent support level of RM0.210.

Entry – RM0.225 – RM0.230

Stop Loss – RM0.205

Target Price – RM0.235 – RM0.255 – RM0.270

Technical

Resistance 1 (RM)	0.235
Resistance 2 (RM)	0.255
Support 1 (RM)	0.210
Support 2 (RM)	0.180
MACD	Positive
RSI	Positive

Stock Information

Last Close (RM)	0.230
52-week High (RM)	0.415
52-week Low (RM)	0.200

Company Profile

Rohas Tecnic Berhad offers full value chain capability from in-house engineering design, fabrication and galvanizing and construction projects in power transmission grids, works for water and sewage treatment plant.

Kossan Rubber (7153)

Falling Wedge Pattern Breakout



Technical Highlights

After reaching its 52-week high in the early January 2025, the stock experienced a major correction phase characterised with multiple stages of large sell-offs. Recently, a falling wedge pattern was formed as the stock continued to consolidate within the range. Yesterday, driven by the surge in the buying momentum (3.9x more than its average 90-days trading volume), the stock closed higher and successfully breached above the falling wedge pattern. With the pattern breakout, it also marked the stock reclaiming above its 20-EMA line. Since the stock's technical indicators are showing bullish signal, we think the stock could make a comeback and initiate a trend reversal around the corner.

Momentum indicators are supportive of the stock's trend reversal movement. The RSI is accelerating, indicating the accumulation of the stock's buying strength. Similarly, MACD also confirms the stock's short-term bullish momentum with the recent display of a golden cross.

An ideal entry opportunity lies in between RM1.77 and RM1.88. If the stock can break the first resistance at RM1.91, there's potential for a climb towards RM2.00. Conversely, a dip to and below RM1.73 could signal a false pattern breakout and the start of consolidation phase with the potential consolidation towards RM1.64, the stock's 52-week low.

Entry – RM1.77 – RM1.80
Stop Loss – RM1.68
Target Price – RM1.91 – RM2.00

Technical

Resistance 1 (RM)	1.91
Resistance 2 (RM)	2.00
Support 1 (RM)	1.73
Support 2 (RM)	1.64
MACD	Positive
RSI	Positive

Stock Information

Last Close (RM)	1.80
52-week High (RM)	2.83
52-week Low (RM)	1.64

Company Profile

Kossan Rubber Industries Bhd is a rubber glove company that manufactures and sells rubber products.

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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