



WMG (6378)

Sign of Gradual Comeback?



Technical Highlights

After peaking in the early-September 2024, the stock dipped into major correction phase in line with the dwindling of the buying momentum. During this period, the stock displayed a modest rebound, however, it fell apart as the buying strength continued to decline. A falling wedge pattern was formed as the stock consolidated with the range. Yesterday, the stock rebounded strongly, leading to a falling wedge pattern breakout. This pattern breakout also confirmed the stock's reclamation above its 20-EMA lines. With these positive technical confirmations, we think this could form a stage for the stock to extend its rebounding over the horizon.

Momentum indicators are looking favourable. The RSI rebounding sharply from the oversold zone, indicating the resurgence of strong buying strength. Meanwhile, MACD also confirmed the golden cross formation after the yesterday's strong closing.

For favourable entry point, it can be observed in the range between RM0.380 to RM0.390. The first resistance level lies on RM0.430. Should the stock break above this level with sustained momentum, the stock could challenge next target at RM0.470. Conversely, a descent below RM0.350 could indicate a false pattern breakout with potential consolidation phase to resume.

Entry – RM0.380 – RM0.390
Stop Loss – RM0.340
Target Price – RM0.430 – RM0.470

Technical

Resistance 1 (RM)	0.430
Resistance 2 (RM)	0.470
Support 1 (RM)	0.350
Support 2 (RM)	0.305
MACD	Positive
RSI	Positive

Stock Information

Last Close (RM)	0.390
52-week High (RM)	0.600
52-week Low (RM)	0.195

Company Profile

WMG Holdings Berhad offers property development and wholesaling and retailing of hardware, building materials and related goods.

Hextar Global (5151)

Positive Setup for 52-week High Retest?



Technical Highlights

The stock has been on a steady uptrend since early August 2024. Recently, strong buying momentum pushed the stock toward its 52-week high. Following this rally, a mild correction set in, resulting in the formation of a triangle pattern. Yesterday, the stock closed higher with a bullish candle and successfully broke out of the triangle pattern. This breakout also confirmed the stock started to trade above all its EMA lines. We believe these positive technical-setup could pave way for the stock to revisit its 52-week high in the near term.

Momentum indicators are strengthening. This is confirmed by the rebounding in the RSI from its recent constant movement as well as the yesterday's golden cross exhibition in the MACD.

An ideal range would be between RM0.880 and RM0.890, waiting for a slight pullback for better positioning. The first key resistance stands at RM0.895. If the stock clears this level, this could position the stock to revisit its 52-week high at RM0.935. A further breakout above these levels could see the stock rally to its new height at RM0.960. On the downside, if the stock falls below RM0.855, signalling the resume of consolidation phase.

Entry – RM0.880 – RM0.890

Stop Loss – RM0.845

Target Price – RM0.895 – RM0.935 – RM0.960

Technical

Resistance 1 (RM)	0.895
Resistance 2 (RM)	0.935
Support 1 (RM)	0.855
Support 2 (RM)	0.825
MACD	Positive
RSI	Positive

Stock Information

Last Close (RM)	0.890
52-week High (RM)	0.935
52-week Low (RM)	0.825

Company Profile

Hextar Global Bhd is an agrochemical company specializes in offering pesticides, fertilizers, and other related specialty chemicals.

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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