

# MSM Malaysia (5202)

## Rebounding in Action?



### Technical Highlights

After reaching its peak on early-July 2024, the stock has been on major market correction phase. Upon establishing a bottom (52-week low) recently, the stock rebounded strongly and traded within range, forming a falling triangle pattern. At the last Friday's closing price of RM1.09, the stock was also on the verge of breaking through its key resistance level, a level that was once a key support level before the recent gap-down. Together with the stock currently trading above its 20-EMA line, we think these positive technical set-ups shall form a stage for the stock to extend its rebounding trajectory in near term.

Momentum indicators are showing positive strength. The RSI is rebounding strongly from the oversold zone, suggesting the return of strong buying momentum. Meanwhile, MACD is also nearing to exhibit a golden cross, indicating the stock's short-term bullish momentum.

For an ideal entry point, it can be seen in the range between RM1.07 and RM1.09. The first resistance to watch would be at RM1.16. If the stock manages to clear this level, it could challenge the next target level at RM1.21. Conversely, the stock's consolidation phase to resume if the stock dips below its recent support level of RM0.985.

**Entry** – RM1.07 – RM1.09  
**Stop Loss** – RM0.975  
**Target Price** – RM1.16 – RM1.21

#### Technical

<b>Resistance 1 (RM)</b>	1.16
<b>Resistance 2 (RM)</b>	1.21
<b>Support 1 (RM)</b>	0.985
<b>Support 2 (RM)</b>	0.890
<b>MACD</b>	Positive
<b>RSI</b>	Positive

#### Stock Information

<b>Last Close (RM)</b>	1.09
<b>52-week High (RM)</b>	3.52
<b>52-week Low (RM)</b>	0.89

#### Company Profile

MSM Malaysia Holdings Berhad specializes in producing, marketing, and selling a wide range of refined white and brown sugar.

# Hextar Retail (7202)

## Channel Pattern Breakout



### Technical Highlights

The stock has been on major market correction phase since late Jun 2024. A falling channel pattern was formed as the stock continued to consolidate within zone. Recently, the stock started to rebound after establishing a new bottom at its 52-week price of RM0.430. At the closing last Friday, the stock continued to close higher and successfully initiated the channel pattern breakout. Following the channel pattern breakout, we think this shall provide a stage for the stock to extend its positive trajectory over the horizon.

Momentum indicators are looking favourable. The RSI spiked up, indicating the resurgence of buying interest. Meanwhile, the last's Friday surge in stock price confirmed the exhibition of golden cross, indicating the built-up of the stock's short-term bullish outlook.

Looking at the price range between RM0.475 and RM0.485 could yield an attractive entry opportunity. The first resistance level is at RM0.500, and if the stock successfully breaks through, it could climb towards the RM0.550 level. On the flip side, the stock could dip into a correction phase if the stock falls below RM0.430, its recent support level.

**Entry** – RM0.475 – RM0.485  
**Stop Loss** – RM0.425  
**Target Price** – RM0.500 – RM0.550

#### Technical

<b>Resistance 1 (RM)</b>	0.500
<b>Resistance 2 (RM)</b>	0.550
<b>Support 1 (RM)</b>	0.430
<b>Support 2 (RM)</b>	0.400
<b>MACD</b>	Positive
<b>RSI</b>	Positive

#### Stock Information

<b>Last Close (RM)</b>	0.485
<b>52-week High (RM)</b>	0.740
<b>52-week Low (RM)</b>	0.430

#### Company Profile

Hexstar Retail Bhd through its subsidiaries principally engages in manufacturing wooden picture frame molding and timber 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"><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 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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