

Tex Cycle Technology (0089)

Recovery Momentum to Continue?



Technical Highlights

Following its peak in early June 2024, the stock entered a broad consolidation phase. Recently, it established a support base and began to rebound with strong upward momentum, evidenced by a series of bullish candlesticks. Yesterday, the stock closed substantially higher and successfully broke out of a triangle pattern. This breakout is further validated by the stock trading above both its 20-day and 50-day EMA, signalling a shift in trend direction. These bullish technical developments suggest a strong likelihood of the stock extending its recovery trajectory in the near term.

Momentum indicators are showing improving signal. The RSI continued to rebound, suggesting the built-up of the stock's strong buying interest. Meanwhile, the recent formation of golden cross in the MACD confirms the stock's short-term bullish outlook.

Waiting a slight pullback to a range between RM0.950 and RM0.970 represent a good entry opportunity. The first resistance to watch would be at RM1.94. If the stock manages to breakout this level, the next target to challenge would be at RM1.10. On the flip side, if the stock falls below RM0.890, it would a false pattern breakout and the resume of another market correction phase.

Entry – RM0.950 – RM0.970

Stop Loss – RM0.880

Target Price – RM1.04 – RM1.10

Technical

Resistance 1 (RM)	1.04
Resistance 2 (RM)	1.10
Support 1 (RM)	0.89
Support 2 (RM)	0.84
MACD	Neutral
RSI	Positive

Stock Information

Last Close (RM)	0.970
52-week High (RM)	1.45
52-week Low (RM)	0.815

Company Profile

Tex Cycle Technology (M) Berhad through its subsidiaries collect soiled rags, wipes and gloves from the electronics, engineering, automobile, oil and gas, printing and other manufacturing industries and safely disposes of them.

MST Golf (5316)

Primary Trend Breakout



Technical Highlights

The stock has been on a downtrend pattern since the stock debuted as IPO in the late July 2023. During this period, the stock engaged multiple attempts of breaking free from the downtrend but unsuccessful due to the unstained buying strength. Yesterday, the resurgence of buying interest (6.6x higher than its average 90-days trading volume) pushed the stock higher and successfully breached its primary trendline. With the primary trendline breakout, this indicates the potential for further upside in the stock

The momentum indicators are supportive of the trendline breakout. The RSI is trending upward strongly, indicating sustained buying momentum. Similarly, MACD recently exhibited a golden cross, supporting the case of bullish momentum in the stock.

An ideal entry range can be observed in between RM0.235 and RM0.240. The first resistance level would be at RM0.255. A successful break above this level could push the stock toward the second resistance at RM0.275. If the stock clears both levels, it may climb toward its third resistance at RM0.285. However, if the stock descent towards and below RM0.220, this could a false trendline breakout with a potential consolidation phase to follow.

Entry – RM0.235 – RM0.240

Stop Loss – RM0.210

Target Price – RM0.255 – RM0.275 – RM0.285

Technical

Resistance 1 (RM)	0.255
Resistance 2 (RM)	0.275
Support 1 (RM)	0.220
Support 2 (RM)	0.180
MACD	Positive
RSI	Positive

Stock Information

Last Close (RM)	0.240
52-week High (RM)	0.470
52-week Low (RM)	0.200

Company Profile

MST Golf Group Berhad is a golf retailing company that offers all kind of equipment and wears for golf sport.

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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