

DuFu Technology (7233)

Triangle Pattern Breakout



Technical Highlights

Upon touching its peak in the mid-June 2024, the stock underwent major market correction phase. After establishing a bottom at the stock's 52-week low, the stock started to rebound gradually. Recently, the stock extended its rebounding trajectory and initiated a triangle pattern breakout. Post pattern breakout, the stock also successfully reclaimed its position above its 20-EMA line. With these multiple bullish technical set-ups, we think this form a stage for the stock to to further extend its upward rebound in the periods ahead.

Momentum indicators are showing strength. The RSI continued to trend upward, signalling the resurgence of the stock's buying interest. Similarly, both the upward pointing MACD and 20-EMA line confirm the stock's sustained short-term positive momentum.

An ideal entry point can be observed in the range between RM1.06 and RM1.08. The first resistance to challenge would be at RM1.15. If the stock manages to breach above this level, the stock could rally toward next target at RM1.23. On the flipside, a descent below RM0.995 level could see the resume of the market correction phase with the stock potentially consolidate toward its 52-week price of RM0.925.

Entry – RM1.06 – RM1.08
Stop Loss – RM0.985
Target Price – RM1.15 – RM1.23

Technical

Resistance 1 (RM)	1.15
Resistance 2 (RM)	1.23
Support 1 (RM)	0.995
Support 2 (RM)	0.925
MACD	Positive
RSI	Positive

Stock Information

Last Close (RM)	1.08
52-week High (RM)	2.70
52-week Low (RM)	0.925

Company Profile

DuFu Technology Corp Berhad principally involves in designing, developing and manufacturing of precision machining components, steel molds and stamping components.

Hartalega (5168)

Flag Pattern Breakout



Technical Highlights

In the mid-September 2024, the stock entered into broad-based market rebound and arrived at its peak in the early-February 2025. Subsequently, the stock fall into major market correction phase as the buying interest dipped into oversold zone. Recently, the stock seemed to establish a base as the stock regained momentum and extended upward gradually. At the yesterday's closing, the stock managed to break above a flag pattern, suggesting the stock could extend its positive trajectory in the near future.

The momentum indicators are supportive of the stock's bullish set-up. The stock's bullish outlook is ascertained by the gradual uptrend movement in the RSI and strong upward-pointing MACD line.

A recommend entry point can be set at RM2.18 and RM2.21. The first resistance level is at RM2.31, and a successful breakout could see the stock testing RM2.49. However, it's worth noting that this second resistance has historically been a strong resistance, potentially posing a challenge. Conversely, if the stock falls below RM2.05, it could indicate a false breakout and likely trigger a correction phase.

Entry – RM2.18 – RM2.21
Stop Loss – RM2.04
Target Price – RM2.31 – RM2.49

Technical

Resistance 1 (RM)	2.31
Resistance 2 (RM)	2.49
Support 1 (RM)	2.05
Support 2 (RM)	1.95
MACD	Positive
RSI	Positive

Stock Information

Last Close (RM)	2.21
52-week High (RM)	3.97
52-week Low (RM)	1.85

Company Profile

Hartalega Holdings Berhad is a company specializes in manufacturing of a wide range of latex gloves.

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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Published & Printed By:

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