

# BP Plastics (5100)

## Crossed Over, Trending Up



### Technical Highlights

After hitting a 52-week high of RM1.63 a year ago, this stock had been on a long downhill journey, eventually bottoming out at a new 52-week low of RM0.96 in April. Since touching that low, the stock has shown signs of strength, and just yesterday, it posted a solid 6% gain, breaking through a key resistance level at RM1.05. This breakout could mark the beginning of a new trend. Although it's still trading below all three key EMAs, holding above this resistance could boost market confidence and indicate more upside ahead.

Momentum indicators are starting to support the case too. The RSI has climbed to 43, bouncing back from the oversold zone. On top of that, the MACD has also just formed a golden cross this week.

The ideal entry for this stock would be around RM1.06 to RM1.07. The first resistance to watch is at RM1.13, and if the stock breaks that, the next key level is RM1.17. On the downside, a fall below RM0.99 would suggest a breakdown from the key support zone, and that could trigger a further drop back toward the 52-week low.

**Entry** – RM1.06 – RM1.07  
**Stop Loss** – RM0.99  
**Target Price** – RM1.13 – RM1.17

Technical	
Resistance 1 (RM)	1.13
Resistance 2 (RM)	1.17
Support 1 (RM)	1.05
Support 2 (RM)	0.99
MACD	Positive
RSI	Positive

Stock Information	
Last Close (RM)	1.07
52-week High (RM)	1.63
52-week Low (RM)	0.96

Company Profile	
BP Plastics Holding Bhd manufactures and supplies polyethylene plastic film and bags to the local garment and textile companies.	

# Karex (5247)

## Breakout Play in Motion



### Technical Highlights

The stock is now forming a triangle pattern and is getting into the squeeze zone, signalling that a breakout may be just around the corner. Since late April, buying momentum has been building up steadily, showing that interest is returning. Currently, the stock is trading between its 20-day and 50-day EMAs, a range often seen during consolidation before a big move. If the breakout happens, the next big challenge lies at the 200-day EMA. A clean break above that level would open the door for more upside.

Momentum indicators are also showing strength. The RSI is sitting nicely at the neutral zone around 50, giving it plenty of room to run before hitting overbought territory. Meanwhile, the MACD is also showing early signs of a golden cross.

The ideal zone would be between RM0.790 to RM0.810. The first resistance to watch is at RM0.830. If that gets taken out, the next key level is RM0.870. The final major resistance stands at RM0.905. On the flip side, a drop below RM0.760 would signal a breakdown from the key support area, which could open the path to retest the 52-week low.

**Entry** – RM0.790 – RM0.810

**Stop Loss** – RM0.760

**Target Price** – RM0.830 – RM0.870 – RM0.905

#### Technical

Resistance 1 (RM)	0.830
Resistance 2 (RM)	0.870
Support 1 (RM)	0.785
Support 2 (RM)	0.760
MACD	Positive
RSI	Positive

#### Stock Information

Last Close (RM)	0.800
52-week High (RM)	1.090
52-week Low (RM)	0.705

#### Company Profile

Karex is involved in the manufacturing of condoms, lubricating jelly and other medical devices such as catheters and probe

## 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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## Published & Printed By:

MERCURY SECURITIES SDN BHD  
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