

Dufu Technology (7233)

Riding the Recovery Wave



Technical Highlights

After hitting a 52-week high of RM2.75 back in July 2024, the stock has been trading in a persistent downtrend for nearly a year. However, this week marked a major shift as it successfully broke out of the downtrend pattern and surged 8.9% in a single day. With that strong move, the stock is now trading above both its 20-day and 50-day EMAs. If the stock manages to hold this momentum after the breakout, more upside may follow as the momentum indicators are also starting to turn more positive.

The RSI has climbed steadily and now stands at 69, nearing overbought territory but still showing strength. At the same time, the MACD has just formed a golden cross this week, backed by the strongest buying pressure seen since May 2025.

An ideal entry range would be between RM1.27 and RM1.34. The first resistance level to watch is RM1.41, and if that breaks, the next targets are RM1.51 and RM1.65 respectively. On the downside, if the stock slips below RM1.20, it may signal a breakdown in momentum, with the stock falling back below key EMAs and likely facing renewed selling pressure.

Entry – RM1.27 – RM1.34
Stop Loss – RM1.20
Target Price – RM1.41 – RM1.51 – RM1.65

Technical

Resistance 1 (RM)	1.41
Resistance 2 (RM)	1.51
Support 1 (RM)	1.24
Support 2 (RM)	1.20
MACD	Positive
RSI	Positive

Stock Information

Last Close (RM)	1.35
52-week High (RM)	2.75
52-week Low (RM)	0.89

Company Profile

Dufu Technology Corp Bhd is engaged in the manufacture and sale of industrial products; trading of computer disk-drive and related components.

Genetec (0104)

Rebound From Key Support



Technical Highlights

Since early 2024, the stock has been moving with very weak momentum, slowly drifting lower until it touched a key support zone which is the area where I've marked a square in the chart. This support held strong, and buyers stepped in to defend the level. Just yesterday, the stock rebounded sharply with a 5% gain, pushing back above its 20-day EMA. With positive momentum building, there's now a good chance for the stock to move higher in the short term. If it manages to reach the previous resistance at around RM1.20 which it has tested twice, we may see the formation of a bullish W-shaped pattern.

The RSI has recovered from oversold territory and now stands at 50, a neutral zone that often acts as a turning point. Meanwhile, the MACD has also formed a golden cross this week and start moving in an uptrend.

An ideal entry zone for this stock would be between RM0.900 and RM0.940. The first resistance to watch is RM1.000. If the stock breaks above that level, the next resistance zones are at RM1.080, RM1.200, and possibly higher. However, if the price falls below RM0.850, it would suggest that sellers are back in control, and the stock may slide further toward previous lows.

Entry – RM0.900 – RM0.940

Stop Loss – RM0.850

Target Price – RM1.000 – RM1.080 – RM1.200

Technical

Resistance 1 (RM)	1.000
Resistance 2 (RM)	1.080
Support 1 (RM)	0.890
Support 2 (RM)	0.850
MACD	Positive
RSI	Positive

Stock Information

Last Close (RM)	0.945
52-week High (RM)	2.400
52-week Low (RM)	0.660

Company Profile

Genetec Technology Bhd is principally engaged in investment holding, designing and building of customized factory automation equipment and integrated vision inspection systems.

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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