

# Malaysia Smelting (5916)

## Recovery Momentum Regains Traction



### Technical Highlights

After reaching 52-week high in the early-April 2025, the stock underwent a short-term correction phase before a strong rebound took the lead. The rebound sent the stock near to its 52-week high. Since then, the stock has been trading in a narrow range and formed a wedge pattern. Yesterday, renewed buying interest pushed the stock to close higher and formed a bullish Marubozu candle. At the yesterday's closing price of RM1.24, the stock is on the verge of breaking the resistance trigger of the wedge pattern. With the stock's buying momentum regaining traction as evidenced by the last 3 sessions' positive closing, we think the stock could initiate the pattern breakout over the horizon.

Momentum indicators are displaying strength and supportive of the pattern breakout. The stock's near-term bullish momentum is ascertained by the stock's upward trending RSI and recent exhibition of a golden cross in the MACD.

An ideal range would be between RM1.22 and RM1.24, waiting for a slight pullback for better positioning. The first key resistance stands at RM1.25. A breach above this level would validate the wedge pattern breakout. With the pattern breakout, the stock could rally towards RM1.30, the stock's 52-week high. If the stock successfully clears these levels, it could challenge its new 52-week high of RM1.35. On the downside, if the stock falls below RM1.16, it could return back to the correction mode and potentially consolidates towards RM1.09 level.

**Entry** – RM1.22 – RM1.24

**Stop Loss** – RM1.15

**Target Price** – RM1.25 – RM1.30 – RM1.35

#### Technical

<b>Resistance 1 (RM)</b>	1.25
<b>Resistance 2 (RM)</b>	1.30
<b>Support 1 (RM)</b>	1.16
<b>Support 2 (RM)</b>	1.09
<b>MACD</b>	Positive
<b>RSI</b>	Positive

#### Stock Information

<b>Last Close (RM)</b>	1.24
<b>52-week High (RM)</b>	1.30
<b>52-week Low (RM)</b>	0.925

#### Company Profile

Malaysia Smelting Corporation Berhad is a company that smelts tin concentrates and tin bearing materials as well as produces refined tine metals and by-products.

# Signature International (7246)

## Gap-Up Marubozu



### Technical Highlights

A correction phase took place after the stock touching its 52-week high in the mid-February 2025. Yesterday, the stock gapped-up and formed a bullish Marubozu candle, driven by the reignition of buying interest. With the gapping-up, the stock is now near to test the RM1.41 key resistance level which was once a key support level before the recent corrective phase.

Momentum indicators are showing bullish signals. The RSI is trending upward towards overbought zone, indicating the stock's sustained buying strength. Similarly, the stock's near-term positive momentum is confirmed by both upward-pointing EMA and MACD lines.

An ideal entry strategy would be between RM1.39 to RM1.41. The first resistance level to watch is RM1.41, and if this level is breached, we could see the stock testing the second resistance at RM1.50. Should buying momentum remain strong, the third target price would be at RM1.55, nearing to the stock's 52-week high. Inversely, if the stock falls below RM1.31, it would indicate a breakdown from the key support zone and start a new downtrend.

**Entry** – RM1.39 – RM1.41

**Stop Loss** – RM1.30

**Target Price** – RM1.45 – RM1.50 – RM1.55

#### Technical

Resistance 1 (RM)	1.41
Resistance 2 (RM)	1.50
Support 1 (RM)	1.31
Support 2 (RM)	1.25
MACD	Positive
RSI	Positive

#### Stock Information

Last Close (RM)	1.41
52-week High (RM)	1.60
52-week Low (RM)	1.13

#### Company Profile

Signature International Berhad via its subsidiaries involves in offering design, marketing and distribution of kitchen systems, wardrobe system and built-in kitchen appliances.

## 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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