

Tune Protect (5230)

Momentum-Driven Pattern Breakout



Technical Highlights

The stock has been on market correction phase since the mid-August 2024. The stock continued to consolidate within a range, leading to a formation of a falling wedge pattern. Yesterday, the resurgence of buying momentum (approximately 11.3x its average 90-days total trading volume) pushed the stock to closed significantly higher, forming a bullish Marubozu candle and initiated the falling wedge pattern breakout. Following the pattern breakout, the stock also successfully reclaimed above all its EMA lines. With these multiple positive technical signals, we think the stock could extend its recovery trajectory in the near term.

Momentum indicators are displaying positive strength. The RSI spiked upwards, indicating the built-up of the stock's sustained buying strength. Meanwhile, the recent exhibition of a golden cross in the MACD confirmed the stock's short-term bullishness.

For an ideal entry opportunity, it can be placed at between RM0.290 and RM0.300. The first resistance level to test would be at RM0.320. A clear above this level could form a stage for the stock to climb towards RM0.340. If both of these levels are breached, the next target to challenge would be at RM0.360. Conversely, a dip below the stock's recent support level of RM0.280 could indicate a false pattern breakout with the stock potentially declines towards its 52-week low.

Entry – RM0.290 – RM0.300

Stop Loss – RM0.275

Target Price – RM0.320 – RM0.340 – RM0.360

Technical

Resistance 1 (RM)	0.320
Resistance 2 (RM)	0.340
Support 1 (RM)	0.280
Support 2 (RM)	0.260
MACD	Positive
RSI	Positive

Stock Information

Last Close (RM)	0.300
52-week High (RM)	0.380
52-week Low (RM)	0.260

Company Profile

Tune Protect Group Bhd is a company that offers underwriting and reinsurance service for non-life insurance products.

Feytech (5322)

Bottoming Out – Recovery Ahead?



Technical Highlights

Since the mid-August 2024, the stock has been on its major market correction mode. Recently, the stock seemed to have established its bottom as it started to rebound strongly with positive movement. Yesterday, the stock extended its positive movement and successfully triggered a falling triangle pattern breakout. After the pattern breakout, the stock also finally traded above its short-term 20-EMA line, reinforcing its short-term bullishness. We believe this pattern breakout would serve as a springboard for the stock to extend recovery movement in the near trading sessions.

The momentum indicators are supportive of the stock's positive recovery movement. The RSI is gradually increasing, implying the stock's buying interest is accumulating. Meanwhile, the stock's bullish outlook is supported by the display of a golden cross in the MACD yesterday.

A good entry point lies in RM0.335 to RM0.340. The first resistance target to watch would be at RM0.380. If the stock manages to breach above this level with sustained trading momentum, this could form a stage for it to rally towards RM0.420 level. On the downside, a descent below RM0.295, the stock's recent support level could bring an indication of a false pattern breakout and the commencement of a new market correction phase.

Entry – RM0.335 – RM0.340
Stop Loss – RM0.290
Target Price – RM0.380 – RM0.420

Technical	
Resistance 1 (RM)	0.380
Resistance 2 (RM)	0.420
Support 1 (RM)	0.295
Support 2 (RM)	0.275
MACD	Positive
RSI	Positive

Stock Information	
Last Close (RM)	0.340
52-week High (RM)	0.930
52-week Low (RM)	0.295

Company Profile	
Feytech Holdings Bhd is a company principally involves in acquiring and investing in manufacturing, marketing and sales of automotive seats and interior parts.	

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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