

# ECOMATE HOLDINGS BHD (0239)

## Finally Breaking its All-Time High?



### Technical Highlights

The stock last closed at RM1.490, reaching its 52-week high. The stock had tested the price level multiple times previously with its key resistance at RM1.490 and RM1.633 based on Fibonacci projections. Concurrently, the stock had also formed an ascending triangle pattern, with potential to breakout.

Momentum indicators show bullish signals as the MACD line had crossed above the signal line. Alongside that, the RSI line is shooting up towards its overbought zone. The stock had maintained well above its 200-day EMA, in the midst of crossing above its 20 and 50-day EMAs.

On the upside, the immediate target is RM1.633 with further strength potentially extending toward RM1.721 given a sustained momentum once breaking its first resistance. Conversely, a breach below its support levels would invalidate the bullish outlook and expose the stock to further downside.

**Entry** – RM1.450 – RM1.490  
**Stop Loss** – RM1.300  
**Target Price** – RM1.633 – RM1.721

#### Technical

<b>Resistance 1 (RM)</b>	1.490
<b>Resistance 2 (RM)</b>	1.633
<b>Support 1 (RM)</b>	1.440
<b>Support 2 (RM)</b>	1.347
<b>MACD</b>	Bullish
<b>RSI</b>	Positive

#### Stock Information

<b>Last Close (RM)</b>	1.490
<b>52-week High (RM)</b>	1.490
<b>52-week Low (RM)</b>	0.880

#### Company Profile

Ecomate Holdings Berhad operates as a holding company. The Company, through its subsidiaries, manufactures and exports furniture for living room, bedroom, and dining room, as well as other types of furniture.

# TEX CYCLE TECHNOLOGY (0089)

## On the Move: Trendline Breakout



### Technical Highlights

The stock last closed at RM1.050, peeking out of its trendline with a strong potential upside once it opens above the 2-month trendline. Key support levels are set at RM1.010 and RM0.950 with expectations of the stock to test its key resistance levels at RM1.150 and RM1.211.

Momentum indicators are showing bullish signals as the RSI line is on an uptrend and the MACD line crossing above the signal line. Alongside that, the stock had been hovering around all its EMAs, indicating a potential strong breakout.

On the upside, the immediate target is RM1.150, with further strength potentially extending toward RM1.211. Conversely, a breach below its support levels would invalidate the bullish outlook and expose the stock to further downside.

**Entry** – RM1.000 – RM1.050  
**Stop Loss** – RM0.900  
**Target Price** – RM1.15 – RM1.211

#### Technical

Resistance 1 (RM)	1.150
Resistance 2 (RM)	1.211
Support 1 (RM)	1.010
Support 2 (RM)	0.950
MACD	Bullish
RSI	Positive

#### Stock Information

Last Close (RM)	1.050
52-week High (RM)	1.220
52-week Low (RM)	0.805

#### Company Profile

Tex Cycle Technology Malaysia Bhd. is an investment holding company. The Company, through its subsidiaries, collects soiled rags, wipes and gloves from the electronics, engineering, automobile, oil and gas, printing, and other manufacturing industries and safely disposes of them.



## 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:

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