



UMEDIC GROUP BHD (0256)

Short-Term Down Trendline Breakout



Technical Highlights

The stock last closed at RM0.470, rallying since breaking its down trendline back in August. As the stock slightly retrace towards its first support at RM0.455 and second support at RM0.440, another opportunity emerges for entry as the stock looks to test its first resistance at RM0.500 after making a rebound.

Momentum indicators show bullish signals from the RSI as it is moving in an upward trajectory near the overbought zone, indicating strong buying pressure. On top of that, the MACD line had crossed the signal line, indicating added momentum to the breakout. Furthermore, the stock has been trading well above its 20 and 50-day EMAs with the stock recently crossed above its 200-day EMA which suggests a strong breakout.

On the upside, the immediate target is RM0.500 with further strength potentially extending towards RM0.570 given a sustained momentum. Conversely, a breach below its support levels would invalidate the bullish outlook and expose the stock to further downside.

Entry – RM0.470 – RM0.475
Stop Loss – RM0.430
Target Price – RM0.500 – RM0.570

Technical

Resistance 1 (RM)	0.500
Resistance 2 (RM)	0.570
Support 1 (RM)	0.455
Support 2 (RM)	0.440
MACD	Bullish
RSI	Positive

Stock Information

Last Close (RM)	0.470
52-week High (RM)	0.675
52-week Low (RM)	0.325

Company Profile

Umedic Group Berhad operates as an integrated healthcare supply chain company. The Company offers resuscitation care, patient monitoring systems, oxygen therapy and suction, life-support equipment, and ultrasound solutions. Umedic Group serves customers in Malaysia.

DESTINI BHD (7212)

Rebound from Trendline and 200-day EMA



Technical Highlights

The stock last closed at RM0.400, rebounding from its 1-year trendline, poised for a strong rebound towards its previous highs at RM0.430 and RM0.460. Key support levels are set at RM0.390 and RM0.365.

Momentum indicators show bullish signals from the RSI as it has recently broken its trendline, imposing a bullish outlook for the indicator. Additionally, the MACD also appears bullish as the MACD line had recently crossed above the signal line. Despite trading below its 20 and 50-day EMAs, we maintain optimistic as the stock rebounds from its 200-day EMA, acting as a dynamic support.

On the upside, the immediate target is RM0.430, with further strength potentially extending towards RM0.460. Conversely, a breach below its support levels would invalidate the bullish outlook and expose the stock to further downside.

Entry – RM0.400 – RM0.410

Stop Loss – RM0.360

Target Price – RM0.430 – RM0.460

Technical

Resistance 1 (RM)	0.430
Resistance 2 (RM)	0.460
Support 1 (RM)	0.390
Support 2 (RM)	0.365
MACD	Bullish
RSI	Positive

Stock Information

Last Close (RM)	0.400
52-week High (RM)	0.510
52-week Low (RM)	0.275

Company Profile

Destini Berhad manufactures engineering solutions. The Company offers maintenance, repair, and overhaul services for aviation, automobile, and safety and tabular handling equipment, as well as provides in shipbuilding, restoration, and maintenance of vessels. Destini serves defence and commercial aviation, marine, land transport, and oil and gas sectors worldwide.

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: - 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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Published & Printed By:

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