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K-ONE TECHNOLOGY BHD (0111)

Buy On Dip, Inverted Hammer Formed

Technical Highlights

The stock last closed at RM0.140, forming a bulish inverted hammer as the stock rests at its first support at RM0.135 as well as its 200-day EMA. With this formation, the stock is pending for a reversal as it aims towards the first resistance at RM0.165.

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 been well above the signal line. However, be wary as the MACD line had almost converged which could signal a bearish movement. Furthermore, the stock has been trading well above its 50-day EMA with the stock recently testing its support at its 20 and 200-day EMAs.

On the upside, the immediate target is RM0.165 with further strength potentially extending towards RM0.185 given a sustained momentum. Conversely, a breach below its support levels would invalidate the bullish outlook and expose the stock to further downside.

Entry – RM0.135 – RM0.140
Stop Loss – RM0.120
Target Price – RM0.165 – RM0.185

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Technical	
Resistance 1 (RM)	0.165
Resistance 2 (RM)	0.185
Support 1 (RM)	0.135
Support 2 (RM)	0.125
MACD	Bullish
RSI	Positive

Stock Information	
Last Close (RM)	0.140
52-week High (RM)	0.215
52-week Low (RM)	0.105

Company Profile

K-One Technology Bhd. designs, develops, provides project management, global sourcing, and manufactures electronic sub-systems and box-build products.

HARBOUR-LINK GROUP BHD (2062)

Support Rebound, MACD Turning Bullish

Technical Highlights

The stock last closed at RM1.540, rebounding from its first support at RM1.510 as it looks toward climbing back towards its second resistance at RM1.650. The stock had tested its first support a few times these past few trading days, which cold signal a bullish reversal.

Momentum indicators show bullish signals from the RSI it is picking up pace in an upward trajectory near the overbought zone. The MACD line has yet to cross above the signal line. Hoewever, its recent movement may indicate a bullish crossover may occur in the near-term. The stock also had been trading well above its 50 and 200-day EMAs, indicating a strong long-term momentum. Meanwhile, the stock is keen to break its 20-day EMA, which will further validate the bullish outlook.

On the upside, the immediate target is RM1.570, with further strength potentially extending towards RM1.650. Conversely, a breach below its support levels would invalidate the bullish outlook and expose the stock to further downside.

Entry – RM1.530 – RM1.540
Stop Loss – RM1.465
Target Price – RM1.570 – RM1.650

Technical	
Resistance 1 (RM)	1.570
Resistance 2 (RM)	1.650
Support 1 (RM)	1.510
Support 2 (RM)	1.480
MACD	Bearish
RSI	Positive

Stock Information	
Last Close (RM)	1.540
52-week High (RM)	1.650
52-week Low (RM)	1.180

Company Profile

Harbour-Link Group Berhad is an investment holding company and provides management service. The Company, through its subsidiaries, provides shipping, forwarding, and transportation services. Harbour-Link also operates plant and machinery renting business and provides engineering and civil works services.

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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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