MERCURY SECURITIES SDN BHD
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MBSB Bhd (1171)

Support Rebound, Near-Term Trendline Broken

Technical Highlights

The stock last closed at RM0.730, breaking out of its one-month trendline but failed to rally as it rests around the first support level at RM0.720. The next key targets will be its first and second resistance at RM0.745 and RM0.765, based on historical price levels.

Momentum indicators show bullish signals from the RSI as it moves upwards towards the overbought zone. Meanwhile, the MACD line is yet to cross above the signal line but are showing signs of reversal. Furthermore, the stock has been trading above its 50 and 200-day EMAs, with potential to cross above its 20-day EMA, reinforcing the bullish trend momentum.

On the upside, the immediate target is RM00.745 with further strength potentially extending towards RM0.765, given a sustained momentum. Conversely, a breach below its support levels would invalidate the bullish outlook and expose the stock to further downside.

Entry – RM0.725 – RM0.730
Stop Loss – RM0.695
Target Price – RM0.745 – RM0.765

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Technical	
Resistance 1 (RM)	0.745
Resistance 2 (RM)	0.765
Support 1 (RM)	0.720
Support 2 (RM)	0.700
MACD	Bearish
RSI	Positive

Stock Information	
Last Close (RM)	0.730
52-week High (RM)	0.770
52-week Low (RM)	0.620

Company Profile

MBSB Bhd provides financial services. The Company grants loans on the security of freehold and leasehold residential properties, as well as offers investment banking, development financing, and asset management services. MBSB serves customers in Malaysia.

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Malaysia Smelting Corporation Berhad (5916)

Testing New 52-week Highs

Technical Highlights

The stock last closed at RM1.460, forming a bullish marubozu candle as it previously went sideways since breaking its near-term trendline. With its first support as base at RM1.360, the stock has potential to reach its 52-week high and eventually surpass it, given if it breaks its first resistance at RM1.480.

Momentum indicators show bullish signals from the RSI as it moves upwards towards the overbought zone. Meanwhile, the MACD line is yet to cross above the signal line but are showing signs of reversal. Furthermore, the stock had been sustaining well above all its EMAs since early September, indicating a well-maintained bullish momentum.

On the upside, the immediate target is RM1.580, with further strength potentially extending towards RM1.692. Conversely, a breach below its support levels would invalidate the bullish outlook and expose the stock to further downside.

Entry – RM1.460– RM1.480
Stop Loss – RM1.280
Target Price – RM1.580 – RM1.692

Technical	
Resistance 1 (RM)	1.480
Resistance 2 (RM)	1.580
Support 1 (RM)	1.360
Support 2 (RM)	1.290
MACD	Bearish
RSI	Positive

Stock Information	
Last Close (RM)	1.460
52-week High (RM)	1.530
52-week Low (RM)	1.010

Company Profile

Malaysia Smelting Corporation Berhad smelts tin concentrates and tin bearing materials as well as produces refined tin metal and by-products. The Company, through its subsidiaries, also provides authorized warehouse for tin metal.

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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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