

CBH Engineering Holding Bhd (0339)

Support Intact Post Descending Trendline Breakout



Technical Highlights

The stock last closed at RM0.460, resting at its resistance-turned-support at RM0.460. Prior to that, the stock had recently broken out of its three-month downtrend, signaling a bullish trend reversal. Coupled with its resistance breakout, the bullish structure remains intact to continue its series of higher highs and lows in the near future.

Momentum indicators were slightly mixed, as the RSI shies away from its overbought zone, forming a divergence with the price. Meanwhile the MACD line remains to move further from its signal line, indicating a bullish momentum building up. Concurrently, the stock had crossed above its 20- and 50-day EMAs, enforcing an upwards trend in the near to medium term, having traded well above its 200-day EMA.

On the upside, the immediate target is RM0.511, with further strength potentially extending towards RM0.544, provided momentum sustains toward prior highs. Conversely, a breach below its key support levels would invalidate the bullish outlook and expose the stock to further downside risk.

Entry – RM0.460 – RM0.475

Stop Loss – RM0.430

Target Price – RM0.511 – RM0.544

Technical

Resistance 1 (RM)	0.511
Resistance 2 (RM)	0.544
Support 1 (RM)	0.460
Support 2 (RM)	0.434
MACD	Bullish
RSI	Positive

Stock Information

Last Close (RM)	0.460
52-week High (RM)	0.570
52-week Low (RM)	0.200

Company Profile

CBH Engineering Holding Bhd operates as a holding company. The Company, through its subsidiaries, provides electrical, mechanical, civil, and structural engineering and general contracting services. CBH Engineering Holding serves customers in Malaysia.

Mega Fortris Berhad (5327)

Consolidation Formed Post 52-Week High Rally



Technical Highlights

The stock last closed at RM0.800, consolidating between its first support and resistance levels at RM0.748 and RM0.820 respectively. With its recent rally towards its 52-week high at RM0.820, the stock enters into an accumulation phase before extending its bullish run in the long-term. Furthermore, the stock had previously broken out of its nine-months downtrend, keeping its bullish structure valid with its recent price movements.

Momentum indicators turned bullish, as the RSI rises towards the overbought territory, while the MACD line formed a bullish crossover above the signal line. In addition, the price appears to hover around its 20-day EMA, while trading well above its 50- and 200-day EMAs. This validates its current price contraction, posing a strong buy potential once it opens clearly above its 20-day EMA.

On the upside, the immediate target is RM0.820, with further strength potentially extending above its 52-week high towards RM0.892 should momentum build. Conversely, a breach below its support levels would invalidate the bullish outlook and expose the stock to further downside.

Entry – RM0.800 – RM0.805

Stop Loss – RM0.700

Target Price – RM0.820 – RM0.892

Technical

Resistance 1 (RM)	0.820
Resistance 2 (RM)	0.892
Support 1 (RM)	0.748
Support 2 (RM)	0.703
MACD	Bullish
RSI	Positive

Stock Information

Last Close (RM)	0.800
52-week High (RM)	0.820
52-week Low (RM)	0.380

Company Profile

Mega Fortris Berhad manufactures security seals. The Company produces airline padlock, carrier cable seal, container bolt lock, dragon and fast seal, indicative seal, security boxes, pouches, and bags for securing goods in transit. Mega Fortris serves airline, banking, hospitality, logistics, oil and gas, health care and pharmaceutical, retail, and utilities sectors globally.



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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Published & Printed By:

MERCURY SECURITIES SDN BHD
Registration No. 198401000672 (113193-W)
L-7-2, No 2, Jalan Solaris, Solaris Mont’ Kiara,
50480 Kuala Lumpur
Telephone: (603) - 6203 7227
Website: www.mercurysecurities.com.my
Email: mercurykl@mersec.com.my