

Hengyuan Refining Co Berhad (4324)

Rebound from Support, Long Term Structure Intact

HYR MK	Last Close:	1.330	52-week High:	2.120	52-week Low:	0.720
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Entry Price	1.335 – 1.340	Stop Loss	0.995	Target Price	1.480 – 1.650
Resistance 1	1.480	Support 1	1.120	RSI	Bullish
Resistance 2	1.650	Support 2	1.000	MACD	Positive

Technical Highlights

The stock last closed at RM1.330, forming a strong bullish candle as it rebounds from its first support at RM1.120. Previously, the stock rallied to its 52-week high at RM2.120 as the market reacted over the closure of the Strait of Hormuz. Subsequently, the rally was short-lived as the price retraced to establish support at RM1.120. Prior to the breakout, the price had been trading below its first support since July 2025. We continue to monitor this stock as it formed a higher low, subsequent to a multi-year trendline breakout which may indicate a possibility for the stock to continue its upward trajectory.

Momentum indicators are bullish, as the RSI spikes to the overbought zone, while the lagging MACD line crossed above the signal line, indicating increasing buying pressure. The price had also successfully made a breakout above all its EMAs, which validates the formation of a bullish structure in the near to long term.

On the upside, the immediate target is RM1.480, with further strength potentially extending towards RM1.650 should momentum build. Conversely, a breach below its support levels would invalidate the bullish outlook and expose the stock to further downside.

Company Profile

Hengyuan Refining Company Berhad (HRC) refines and manufactures petroleum products. The Company offers products such as liquefied petroleum gas (LPG), naphtha, gasoline, gasoil, and jet kerosene. HRC serves customers in Malaysia.

Stock Information

Rating	Non-Rated
Market Cap (RMm)	798.1
Issued Shares (m)	600.0
Free Float (%)	40.8
Beta	0.9
3-mth Avg. Vol.	14,284,660
20-day Avg. Vol.	8,902,925
Shariah Compliant	No

Source: Bloomberg, Mercury Research

Seal Inc Berhad (4286)

Resistance Breakout, EMAs Bullish

SEAL MK	Last Close:	0.700	52-week High:	0.845	52-week Low:	0.570
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Entry Price	0.700 – 0.705	Stop Loss	0.655	Target Price	0.725 – 0.770
Resistance 1	0.725	Support 1	0.685	RSI	Bullish
Resistance 2	0.770	Support 2	0.660	MACD	Positive

Technical Highlights

The stock last closed at RM0.700, staging a breakout above its resistance-turned-support at RM0.685. Previously, the stock had fell to its 52-week low at RM0.570 before rising gradually to its last close. Between July and December 2025, the price had traded between its second support and resistance at RM0.660 and RM0.770 respectively. With the recent breakout, this poses an opportunity as the stock is likely to retest its first and second resistance, given momentum persists.

Momentum indicators are bullish, as the RSI nears the overbought zone while the MACD line continue to surge above the signal line, indicating sustained buying pressure. With its recent rally, the price had also formed a bullish crossover above all its EMAs, signaling a bullish outlook in the near to long term.

On the upside, the immediate target is RM0.725, with further strength potentially extending towards RM0.770 should momentum build. Conversely, a breach below its support levels would invalidate the bullish outlook and expose the stock to further downside.

Company Profile

Seal Incorporated Berhad invests in properties and operates as contractors of buildings. The Company, through its subsidiaries, develops and manages properties, extracts timber and is involved in trading of logs and sawmilling.

Stock Information

Rating	Non-Rated
Market Cap (RMm)	314.6
Issued Shares (m)	449.4
Free Float (%)	28.7
Beta	0.9
3-mth Avg. Vol.	132,916
20-day Avg. Vol.	114,971
Shariah Compliant	Yes

Source: Bloomberg, Mercury Research

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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