

Malakoff Corporation Berhad (5264)

Rebound on Support, Uptrend Structure Remains Intact

MLK MK	Last Close:	0.895	52-week High:	1.120	52-week Low:	0.730
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Entry Price	0.895 – 0.900	Stop Loss	0.820	Target Price	0.920 – 0.965
Resistance 1	0.920	Support 1	0.855	RSI	Bullish
Resistance 2	0.965	Support 2	0.825	MACD	Positive

Technical Highlights

The stock last closed at RM0.895, rebounding from the RM0.855 support level after a brief breakdown below its three-month uptrend line. The breakdown was short-lived as buying interest quickly emerged to push prices back above the key support zone. This suggests a potential false breakdown rather than a confirmed trend reversal. The quick recovery suggests that buying interest remains intact, with dip-buying activity helping to stabilise the stock price around the recent support band.

Momentum indicators are turning positive, with the RSI recovering towards the mid-50s, signalling improving buying interest while still leaving room for further upside. Meanwhile, the MACD is stabilising and nearing a bullish crossover, suggesting easing downside momentum. Separately, the stock has recently crossed above all its key EMAs, indicating a strengthening recovery in both short- and medium-term direction. This alignment of moving averages reinforces the improving trend structure and suggests that bullish momentum is building, supporting the case for a sustained uptrend.

On the upside, the immediate target is RM0.920, with further strength potentially extending towards RM0.965 should momentum build. Conversely, a breach below its support levels would invalidate the bullish outlook and expose the stock to further downside.

Company Profile

Malakoff Corporation Berhad is an independent water and power producing company (IWPP). The Company designs, engineering, procurement, construction, installation, commissioning, testing, operation and maintenance of coal-fired electricity generating facility, and provision of engineering and project management, as well as repair, overhaul, and other services to power plants.

Stock Information

Rating	Non-Rated
Market Cap (RM m)	4,373.8
Issued Shares (m)	4,887.0
Free Float (%)	38.9
Beta	0.9
3-mth Avg. Vol.	2,628,213
20-day Avg. Vol.	2,230,283
Shariah Compliant	Yes

Source: Bloomberg, Mercury Research

Malaysian Resources Corporation Berhad (1651)

Resistance Breakout Signals Further Upside

MRC MK	Last Close:	0.350	52-week High:	0.570	52-week Low:	0.260
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Entry Price	0.350 – 0.355	Stop Loss	0.300	Target Price	0.385 – 0.410
Resistance 1	0.385	Support 1	0.345	RSI	Bullish
Resistance 2	0.410	Support 2	0.305	MACD	Positive

Technical Highlights

The stock last closed at RM0.350, successfully reclaiming the RM0.345 resistance-turned-support level following its recent breakout. The stock had previously been trading within a 6.6-month downtrend channel, declining to an all-time low of RM0.260 before staging a recovery. The recent rebound from the RM0.305 support level, suggests that buying interest is returning. With RM0.345 now acting as support, the stock is poised to extend its recovery towards the immediate resistance level at RM0.385.

Momentum indicators are turning positive, with the RSI trending above the 60 level, signalling strengthening buying interest. Meanwhile, the MACD has crossed above its signal line, indicating improving bullish momentum. On the price front, the stock has reclaimed its 20-day and 50-day EMAs, suggesting a recovery in the short- to medium-term trend, although it remains below the 200-day EMA, indicating that the longer-term trend has yet to fully turn positive.

On the upside, the immediate target is RM0.385, with further strength potentially extending towards RM0.410 should momentum build. Conversely, a breach below its support levels would invalidate the bullish outlook and expose the stock to further downside.

Company Profile

Malaysian Resources Corporation Berhad is an investment holding company. Through its subsidiaries, the Company provides construction and engineering services, multimedia, property development and management, information technology services, and independent power producer. Malaysian Resources also manufactures and sells ceramic tiles and pre-stressed spun concrete pipes.

Stock Information

Rating	Non-Rated
Market Cap (RM m)	1,563.6
Issued Shares (m)	4,467.5
Free Float (%)	40.3
Beta	1.5
3-mth Avg. Vol.	18,225,710
20-day Avg. Vol.	12,099,170
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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