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Elsoft Research Berhad (0090)

Resistance Breakout and Golden Cross Reinforce Bullish Momentum

ELSR MK	Last Close	0.305	52w High	0.350	52w Low	0.170

Entry Price	0.305 – 0.310	**Stop Loss**	0.265	**Target Price**	0.315 – 0.335
Resistance 1	0.315	**Support 1**	0.295	**RSI**	Bullish
Resistance 2	0.335	**Support 2**	0.270	**MACD**	Positive

Technical Highlights

The stock last closed at RM0.305, broken above the triangle chart pattern at RM0.245 formed by 11-months descending and 2-months ascending trendlines. The stock then followed by strong bullish candlestick which breakout from the previous resistance level at RM0.295 in which has now turned to its support 1 (resistance-turned-support level), that reflects strong buying pressure.

Momentum indicators have strengthened significantly. The RSI stands at 79.36, indicating very strong buying interest and upward momentum, although it has entered overbought territory. Meanwhile, the MACD remains above the signal line, with a positive histogram supporting the bullish momentum outlook. From a trend perspective, the price is now trading above the 20-day, 50-day and 200-day EMAs. Notably, the 20-day EMA crossed above the 50-day EMA in the previous trading session, providing a bullish crossover signal and further confirming the improving momentum.

On the upside, the immediate target is RM0.315, with further strength potentially extending towards RM0.335 should momentum build. Conversely, a breach below its support levels would invalidate the bullish outlook and expose the stock to further downside.

Company Profile

Elsoft Research Bhd. researches, designs, and develops test and burn-in systems and applications specific systems. The Company's products and services include advanced electronics system design, systems software engineering and algorithm development, and optoelectronic/ semiconductor parametric testers.

Stock Information

Rating	Non-Rated
Market Cap (RM m)	206.2
Issued Shares (m)	676.0
Free Float (%)	26.0
Beta	1.0
3-mth Avg. Vol.	816,142
20-day Avg. Vol.	917,291
Shariah Compliant	No

Source: Bloomberg, Mercury Research

YBS International Berhad (0025)

Bullish Trend Gains Further Strength, Drives Continued Uptrend

YBS MK	Last Close	0.380	52w High	0.380	52w Low	0.150

Entry Price	0.380 – 0.385	**Stop Loss**	0.285	**Target Price**	0.400 – 0.440
Resistance 1	0.400	**Support 1**	0.310	**RSI**	Bullish
Resistance 2	0.440	**Support 2**	0.290	**MACD**	Positive

Technical Highlights

The stock last closed at RM 0.380, rebounding strongly from the ascending trendline with parallel and moving further above the RM0.310 Support 1 level. The recent price action has formed a strong bullish Marubozu candle, reflecting firm buying interest and strengthening momentum. The stock is also trading within an upward-sloping channel, suggesting that the recent uptrend remains intact, the stock may continue higher towards the next resistance 1 level at RM0.400.

Momentum indicators have strengthened. The RSI stands at 75.63, indicating strong buying interest and continued upward momentum, although it has entered overbought territory. Meanwhile, the MACD remains above the signal line, with the positive histogram supporting the bullish momentum outlook. From a trend perspective, the price is trading above the 20-day and 50-day EMAs. The stock is also trading above the 200-day EMA, indicating that both the short- to medium-term and broader trend remain positive.

On the upside, the immediate target is RM 0.400, with further strength potentially extending towards RM0.440 should momentum build. Conversely, a breach below its support levels would invalidate the bullish outlook and expose the stock to further downside.

Company Profile

YBS International Berhad operates as an investment holding company. The Company, through its subsidiaries, designs and manufactures high precision moulds, tools, and dies. YBS International also focuses in property investments.

Stock Information

Rating	Non-Rated
Market Cap (RM m)	112.0
Issued Shares (m)	294.6
Free Float (%)	67.4
Beta	0.4
3-mth Avg. Vol.	2,752,139
20-day Avg. Vol.	2,288,565
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: - 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:

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