Nestcon Sdn Berhad (0235)

Bullish Momentum Strengthens Following Triangle Breakout

NESTCON MK	Last Close	0.480	52w High	0.485	52w Low	0.280

Entry Price	0.480– 0.485	**Stop Loss**	0.415	**Target Price**	0.405 – 0.515
Resistance 1	0.485	**Support 1**	0.450	**RSI**	Bullish
Resistance 2	0.515	**Support 2**	0.420	**MACD**	Negative

Technical Highlights

The stock last closed at RM0.480, breaking above the triangle pattern formed by the converging trendlines. The breakout was followed by strong bullish price action, with the previous resistance at RM0.450 now acting as Support 1, indicating continued buying interest.

Momentum indicators remain strong, with the RSI at 76.67, indicating strong buying interest but also an overbought condition. The MACD remains negative, although it is slightly below the signal line, suggesting that momentum may be easing. The stock remains above the 20-day EMA at RM0.460, 50-day EMA at RM0.427 and 200-day EMA at RM0.369, maintaining a bullish trend.

On the upside, the immediate target is RM0.405, with further strength potentially extending towards RM0.515 should momentum build. Conversely, a breach below its support levels would invalidate the bullish outlook and expose the stock to further downside.

Company Profile

Nestcon Bhd provides construction services. The Company develops infrastructure, civil work, and building construction services. Nestcon serves customers in Malaysia.

Stock Information

Rating	Non-Rated
Market Cap (RM m)	373.9
Issued Shares (m)	779.0
Free Float (%)	20.8
Beta	0.7
3-mth Avg. Vol.	455,549
20-day Avg. Vol.	215,970
Shariah Compliant	Yes

Source: Bloomberg, Mercury Research

Muar Ban Lee Group Berhad (5152)

Upward Momentum Signals Further Upside Potential

MBL MK	Last Close	0.370	52w High	0.375	52w Low	0.285

Entry Price	0.370 – 0.375	**Stop Loss**	0.330	**Target Price**	0.390 – 0.410
Resistance 1	0.390	**Support 1**	0.350	**RSI**	Bullish
Resistance 2	0.410	**Support 2**	0.335	**MACD**	Positive

Technical Highlights

The stock last closed at RM0.370, maintaining its upward momentum after breaking above the RM0.350 resistance, which has now turned into Support 1. The stock is currently testing the RM0.370 level, with the rising trendline supporting the positive price movement. A sustained move above RM0.370 could pave the way towards Resistance 1 at RM0.390.

Momentum indicators remain positive, with the RSI at 60.14, indicating healthy buying interest without being overbought. The MACD remains above the signal line, with a positive histogram supporting the bullish momentum. The stock is trading above the 20-day EMA at RM0.355, 50-day EMA at RM0.342 and 200-day EMA at RM0.350, maintaining a positive trend.

On the upside, the immediate target is RM 0.390, 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

Muar Ban Lee Group Bhd manufactures food processing equipment. The Company produces oil seed expellers and other machinery used in oil seed crushing plants.

Stock Information

Rating	Non-Rated
Market Cap (RM m)	84.3
Issued Shares (m)	227.7
Free Float (%)	64.0
Beta	0.3
3-mth Avg. Vol.	21,987
20-day Avg. Vol.	44,845
Shariah Compliant	Yes

Source: Bloomberg, Mercury Research

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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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