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Dancomech Holdings Berhad (5276)

Trendline Breakout In Play

DMEC MK	Last Close:	0.355	52-week High:	0.425	52-week Low:	0.315

Entry Price	0.355 – 0.360	**Stop Loss**	0.300	**Target Price**	0.370 – 0.405
Resistance 1	0.370	**Support 1**	0.325	**RSI**	Bullish
Resistance 2	0.405	**Support 2**	0.315	**MACD**	Positive

Technical Highlights

The stock last closed at RM0.355, breaking above the 10-months descending trendline that had capped price action since late 2025. This breakout reflects a shift in momentum, with buyers stepping in more decisively after a prolonged period of lower highs. A sustained move above this trendline would confirm bullish continuation and could pave the way towards the next resistance level at RM0.370.

Momentum indicators remain supportive of the bullish outlook. The RSI has climbed to 60.58, reflecting strong buying momentum. Meanwhile, the MACD has crossed above the signal line with a widening positive histogram, further supporting the positive trend. Adding to the constructive setup, price continues to trade above all its key EMAs, reinforcing the prevailing uptrend.

On the upside, the immediate target is RM0.370, with further strength potentially extending towards RM0.405 should momentum build. Conversely, a breach below its support levels would invalidate the bullish outlook and expose the stock to further downside.

Company Profile

Dancomech Holdings Bhd an investment holding company, engages in trading and distributing process control equipment and measurement instruments in Malaysia, Italy, Indonesia, and internationally. Dancomech Holdings Bhd was founded in 1989 and is headquartered in Shah Alam, Malaysia.

Stock Information

Rating	Non-Rated
Market Cap (RM m)	157.1
Issued Shares (m)	442.6
Free Float (%)	24.5
Beta	0.5
3-mth Avg. Vol.	104,663
20-day Avg. Vol.	104,620
Shariah Compliant	Yes

Source: Bloomberg, Mercury Research

Verdant Solar Holdings Berhad (0373)

Trendline Break Points to Further Upside

VERDANT MK	Last Close:	0.210	52-week High:	0.385	52-week Low:	0.175

Entry Price	0.210 – 0.215	**Stop Loss**	0.175	**Target Price**	0.230 – 0.245
Resistance 1	0.230	**Support 1**	0.195	**RSI**	Bullish
Resistance 2	0.245	**Support 2**	0.180	**MACD**	Positive

Technical Highlights

The stock last closed at RM0.210, breaking above the 2-months descending trendline that had capped price within the range of RM0.195 and RM0.230. This breakout reflects a shift in momentum, with buyers stepping in more decisively after a prolonged period of lower highs. A sustained move above this trendline would confirm bullish continuation and could pave the way towards the next resistance level at RM0.230.

Momentum indicators remain supportive of the bullish outlook. The RSI has climbed to 60.31, reflecting strong buying momentum. Meanwhile, the MACD has crossed above the signal line with a widening positive histogram, further supporting the positive trend. Adding to the constructive setup, price continues to trade above its key EMAs (20-days and 50-day), reinforcing the prevailing uptrend.

On the upside, the immediate target is RM0.230, with further strength potentially extending towards RM0.245 should momentum build. Conversely, a breach below its support levels would invalidate the bullish outlook and expose the stock to further downside.

Company Profile

Verdant Solar Holdings Berhad operates as a holding company. The Company, through its subsidiaries, develops solar panels, inverters, and batteries, as well as provides consultation, custom system design, and professional installation services. Verdant Solar Holdings serves residential, commercial, and industrial sectors in Malaysia.

Stock Information

Rating	Non-Rated
Market Cap (RM m)	171.7
Issued Shares (m)	817.6
Free Float (%)	32.7
Beta	#N/A N/A
3-mth Avg. Vol.	528,125
20-day Avg. Vol.	428,760
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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