

EP Manufacturing Berhad (7773)

Channel and Resistance Both Give Way

EPMB MK	Last Close:	0.460	52-week High:	0.595	52-week Low:	0.340
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Entry Price	0.460 – 0.465	Stop Loss	0.410	Target Price	0.520 – 0.570
Resistance 1	0.520	Support 1	0.450	RSI	Bullish
Resistance 2	0.570	Support 2	0.415	MACD	Positive

Technical Highlights

The stock last closed at RM0.460, breaking above the 4-months descending parallel channel and the resistance-turned-support level at RM0.450. This dual breakout signals a decisive shift in bullish momentum, with buyers regaining control after weeks of downtrend. A sustained move above these levels would confirm bullish continuation and pave the way towards the next resistance at RM0.520.

Momentum indicators remain supportive of the bullish outlook. The RSI has climbed to 64.84, reflecting strong buying momentum. Meanwhile, the MACD has crossed above the signal line with a widening positive histogram, reinforcing the positive trend. Adding to the constructive setup, price is now trading above all its key EMAs, a further sign the near-term trend is turning bullish.

On the upside, the immediate target is RM0.520, with further strength potentially extending towards RM0.570 should momentum continue to build. Conversely, a breach below its support levels would invalidate the bullish outlook and expose the stock to further downside.

Company Profile

EP Manufacturing Berhad is an investment holding company. Through its subsidiaries, the Company manufactures engineering plastic products, moulds, dies, and bicycles. EP Manufacturing also assembles lamps and switches, and markets bicycles.

Stock Information

Rating	Non-Rated
Market Cap (RM m)	131.7
Issued Shares (m)	286.4
Free Float (%)	42.1
Beta	1.5
3-mth Avg. Vol.	206,263
20-day Avg. Vol.	280,120
Shariah Compliant	Yes

Source: Bloomberg, Mercury Research



Hextar Retail Berhad (7202)

Support Holds, Trendline Breaks

HEXRTL MK Last Close: 0.420 52-week High: 0.550 52-week Low: 0.375



Entry Price	0.420 – 0.425	Stop Loss	0.370	Target Price	0.450 – 0.495
Resistance 1	0.450	Support 1	0.390	RSI	Bullish
Resistance 2	0.495	Support 2	0.375	MACD	Positive

Technical Highlights

The stock last closed at RM0.420, breaking above its 3-month descending trendline after a sharp dip toward Support 2. This breakout hints at a possible turning point, with the stock finding footing before reclaiming the descending trendline. A sustained move above this level would confirm bullish continuation and pave the way towards the next resistance at RM0.450.

Momentum indicators remain supportive of the bullish outlook. The RSI has climbed to 57.58, reflecting strong buying momentum and edging closer to the overbought zone. Meanwhile, the MACD has crossed above the signal line with a widening positive histogram, reinforcing the positive trend. Adding to the constructive setup, price is now trading above both its 20- and 50-day EMAs, a further sign the near-term trend is turning bullish.

On the upside, the immediate target is RM0.450, with further strength potentially extending towards RM0.495 should momentum continue to build. Conversely, a breach below its support levels would invalidate the bullish outlook and expose the stock to further downside.

Company Profile

Hextar Retail Bhd is an investment holding company. The Company, through its subsidiaries, manufactures wooden picture frame molding and timber products. Hextar Retail serves customers worldwide.

Stock Information

Rating	Non-Rated
Market Cap (RM m)	195.3
Issued Shares (m)	465.0
Free Float (%)	41.5
Beta	0.3
3-mth Avg. Vol.	361,936
20-day Avg. Vol.	310,167
Shariah Compliant	No

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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