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Supermax Corporation Berhad (7106)

Bullish Reversal Following 3-Month Downtrend Breakout

SUCB MK	Last Close:	0.375	52-week High:	0.530	52-week Low:	0.250

Entry Price	0.375 – 0.380	**Stop Loss**	0.340	**Target Price**	0.385 – 0.420
Resistance 1	0.385	**Support 1**	0.365	**RSI**	Bearish
Resistance 2	0.420	**Support 2**	0.345	**MACD**	Positive

Technical Highlights

The stock closed at RM0.375, breaking above the RM0.365 resistance-turned-support level, indicating strengthening buying interest. Previously, the stock has broken above its 3-month downtrend line, indicating a strong bullish reversal and a shift from the previous downtrend to an improving upward trend. This breakout is further supported by the strong bullish price movement, suggesting sustained buying pressure. The stock is likely to extend its gains towards the immediate resistance level at RM0.385, followed by RM0.420.

Momentum indicators show a bullish bias, with the RSI at 74.32, entering overbought territory and reflecting strong buying momentum, although a short-term pullback may be possible. The MACD remains bullish, supporting the strengthening upward momentum. The price has also moved above the 20-, 50-, and 100-day EMAs, indicating improving short- to medium-term momentum and reinforcing the bullish outlook.

On the upside, the immediate target is RM0.385, with further strength potentially extending towards RM0.420 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

Supermax Corporation Berhad is an investment holding company whose subsidiaries manufacture, sell, and export various type of latex gloves around the world.

Stock Information

Rating	Non-Rated
Market Cap (RM m)	1,146.5
Issued Shares (m)	3,057.3
Free Float (%)	55.0
Beta	0.5
3-mth Avg. Vol.	6,021,988
20-day Avg. Vol.	10,683,307
Shariah Compliant	Yes

Source: Bloomberg, Mercury Research

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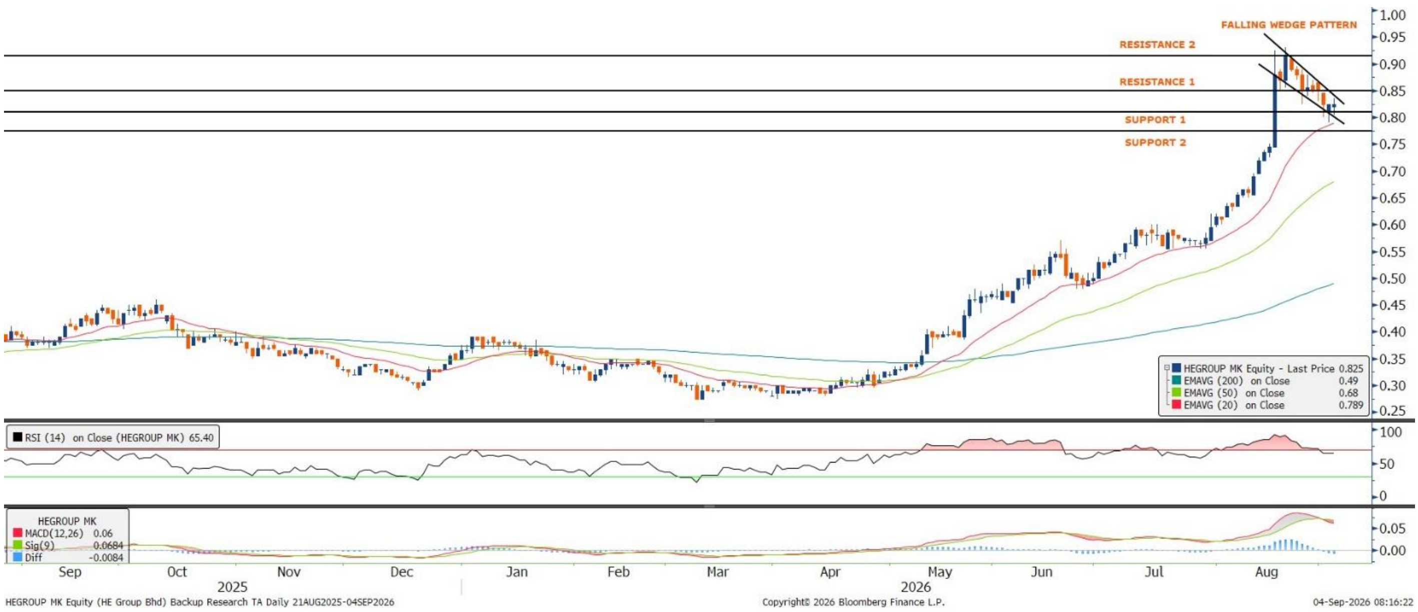
HE Group Berhad (0296)

Falling Wedge Signals Potential Bullish Continuation

HEGROUP MK	Last Close:	0.825	52-week High:	0.930	52-week Low:	0.275



Entry Price	0.825 – 0.830	**Stop Loss**	0.770	**Target Price**	0.850 – 0.915
Resistance 1	0.850	**Support 1**	0.810	**RSI**	Bullish
Resistance 2	0.915	**Support 2**	0.775	**MACD**	Negative

Technical Highlights

The stock closed at RM0.825, forming a falling wedge pattern as price action continues to consolidate within narrowing boundaries following the previous strong upward move, signalling potential bullish continuation. A breakout above the upper trendline and resistance at RM0.850 would likely confirm the pattern, paving the way for a potential advance towards the next resistance level at RM0.915.

Momentum indicators remain constructive. The RSI stands at 65.40, remaining in positive territory and reflecting sustained buying momentum, while the MACD remains bearish, suggesting that short-term momentum is still consolidating. The price has pushed above all key EMAs, reflecting strengthening short-term momentum, as continued buying pressure reinforces the improving uptrend.

On the upside, the immediate target is RM0.850, with further strength potentially extending towards RM0.915 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

HE Group Berhad operates as an investment holding company. The Company, through its subsidiaries, provides electrical engineering services, such as design, supply, installation, testing, and commissioning of power distribution systems, as well as offers trading of electrical equipment. HE Group serves industrial, utility infrastructure, and residential sectors in Malaysia.

Stock Information

Rating	Non-Rated
Market Cap (RM m)	363.0
Issued Shares (m)	440.0
Free Float (%)	41.8
Beta	1.6
3-mth Avg. Vol.	4,399,799
20-day Avg. Vol.	6,100,458
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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