MERCURY SECURITIES SDN BHD
(A Participating Organisation of Bursa Malaysia Securities Bhd.)



# CPE Technology Berhad (5317)

## *Uptrend Remains Intact, Eyes on All-Time High*

| 5317-MY | Last Close: | 1.370 | 52-week High: | 1.390 | 52-week Low: | 1.200 |
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|---|---|---|---|---|---|
| **Entry Price** | 1.370 – 1.375 | **Stop Loss** | 1.175 | **Target Price** | 1.410 – 1.520 |
| **Resistance 1** | 1.410 | **Support 1** | 1.250 | **RSI** | Bullish |
| **Resistance 2** | 1.520 | **Support 2** | 1.180 | **MACD** | Positive |

## Technical Highlights

The stock closed at RM1.370, extending its bullish momentum after breaking above the RM1.250 resistance-turned-support level. The price remains firmly above the 6-month uptrend line and continues to form higher highs and higher lows, reinforcing the prevailing uptrend. The stock is now approaching the immediate resistance at RM1.410. A decisive breakout above this level could pave the way for further upside towards its all-time high of RM1.520.

Momentum indicators remain bullish, although the RSI at 73.80 indicates that the stock has entered overbought territory, suggesting strong buying momentum but also a higher risk of near-term profit-taking. Meanwhile, the MACD line has crossed above the signal line, indicating an improving bullish momentum. The stock is also trading above its 20-, 50- and 200-day EMAs, further supporting the bullish technical outlook.

On the upside, the immediate target is RM1.410, with further strength potentially extending towards RM1.520 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

CPE Technology Bhd. is an investment holding company, which engages in the manufacturing of precision-machined parts and components. It provides services to several industries and sectors including life sciences, sports, and security. The company was founded by Ming Foo and Lee Phin Leong on September 20, 1985 and is headquartered in Ulu Tiram, Malaysia.

### Stock Information

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|---|---|
| **Rating** | Non-Rated |
| **Market Cap (RM m)** | 919.7 |
| **Issued Shares (m)** | 671.3 |
| **Free Float (%)** | 31.5 |
| **Beta** | 1.3 |
| **3-mth Avg. Vol.** | 2,110,655 |
| **20-day Avg. Vol.** | 3,229,485 |
| **Shariah Compliant** | Yes |

*Source: FactSet, Mercury Research*

# Aemulus Holdings Berhad (0181)

## *Falling Wedge Pattern Formed Signals Bullish Continuation*

| 0181-MY | Last Close: | 0.405 | 52-week High: | 0.480 | 52-week Low: | 0.380 |
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| **Entry Price** | 0.405 – 0.410 | **Stop Loss** | 0.350 | **Target Price** | 0.440 – 0.480 |
| **Resistance 1** | 0.440 | **Support 1** | 0.375 | **RSI** | Bullish |
| **Resistance 2** | 0.480 | **Support 2** | 0.355 | **MACD** | Neutral |

## Technical Highlights

The stock closed at RM0.405, forming a falling wedge pattern as price action continues to compress within narrowing boundaries, signalling building upside pressure. A breakout above the upper trendline would likely confirm the pattern, which is typically a bullish continuation, paving the way for a potential advance towards the next resistance level at RM0.440.

Momentum indicators remain constructive. The RSI stands at 52.95, remaining in positive territory and signalling healthy buying momentum while still below the overbought threshold. Meanwhile, the MACD line remains below the signal line, indicating that bullish momentum remains subdued. The stock is also trading above all its EMAs, while the recent crossover above the 20-day EMA further reinforces the prevailing bullish bias.

On the upside, the immediate target is RM0.440, with further strength potentially extending towards RM0.480 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

Aemulus Holdings Bhd. is an investment company, which engages in the designing, engineering, and development of automated test equipment. It operates through the following geographical segments: Malaysia, China, Singapore, Vietnam, Korea, United States of America, Taiwan, and Others. The company was founded in 2004 and is headquartered in Bayan Lepas, Malaysia.

### Stock Information

| | |
|---|---|
| **Rating** | Non-Rated |
| **Market Cap (RM m)** | 272.4 |
| **Issued Shares (m)** | 672.6 |
| **Free Float (%)** | 61.9 |
| **Beta** | 1.5 |
| **3-mth Avg. Vol.** | 6,073,953 |
| **20-day Avg. Vol.** | 7,268,935 |
| **Shariah Compliant** | Yes |

*Source: FactSet, 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:<br>- current high less the current low;<br>- the absolute value of the current high less the previous close;<br>- 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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