



30 October 2020

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## Ho Wah Genting Bhd (HWGB, 9601)

By Rakuten Trade Research Team

### Technical View

CONTRA TRADE ONLY

**3.00X**

Collateral Value



### Ho Wah Genting Bhd (9601)

- HWGB rose 6.5 sen or 9.1% to RM0.78 on Wednesday.
- Share price has been on a gradual recovery and has turned bullish as evidenced by buying momentum on improving trading volume. The announcement of its JV co obtaining approval from U.S. Food and Drug Administration to conduct clinical trial phase IV for Covid-19 vaccine is expected to generate interest in the stock and see it retest its all-time high record.
- From here, resistance levels are seen at RM0.96 (R1) and RM1.16 (R2) level.
- Conversely, support levels are at RM0.62 (S1) and RM0.41 (S2).

Basic Data		Technical		Ratings	
<b>52-week High</b>	RM1.52	<b>Resistance 2</b>	RM1.16	<b>MACD</b>	Neutral
<b>52-week Low</b>	RM0.06	<b>Resistance 1</b>	RM0.96	<b>RSI</b>	Neutral
<b>Current Level</b>	RM0.78	<b>Support 1</b>	RM0.62	<b>Stochastic</b>	Neutral
		<b>Support 2</b>	RM0.41	<b>Trend</b>	Neutral



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Technical terms	Definition
<b>Resistance</b>	Resistance zones arise due to a sell-off when prices increase.
<b>Support</b>	Support is a price level where a downtrend can be expected to pause, due to a concentration of demand. As the price of a security drops, demand for the shares increases, thus forming the support line.
<b>MACD</b>	Moving average convergence divergence (MACD) is a trend-following momentum indicator that shows the relationship between two moving averages of prices.
<b>RSI</b>	The relative strength index (RSI) is a momentum indicator developed by noted technical analyst Welles Wilder, that compares the magnitude of recent gains and losses over a specified time period to measure speed and change of price movements of a security. It is primarily used to attempt to identify overbought or oversold conditions in the trading of an asset.
<b>Stochastic</b>	The stochastic oscillator is a momentum indicator comparing the closing price of a security to the range of its prices over a certain period of time. The sensitivity of the oscillator to market movements is reducible by adjusting that time period or by taking a moving average of the result.

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