

Headline	TAS Offshore likely to stage follow through rebound		
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TAS Offshore likely to stage follow-through rebound

CONTINUING technical rallies sent share prices on Bursa Malaysia to its record breaking sessions last week. The FTSE Bursa Malaysia KLCI (FBM KLCI) hit its all-time historical high of 1,846.92 as well as its all-time historical closing high of 1,843.85 points last Tuesday.

The FBM KLCI stayed above its major psychological support of 1,800 points last Friday when it hit an intra-week high of 1,846.92 points last Tuesday. It traded between an intra-week low of 1,826.93 on Monday and an intra-week high of 1,846.92 on Tuesday, giving the index an intra-week trading range of 19.99 points.

The FBM KLCI closed higher at 1,840.35 points last Friday, giving a week-on-week gain of 13.40 points, or 0.73 per cent.

The FBM Small Cap Index gained 179.75 points, or 1.16 per cent, to 15,730.24 points while the FBM ACE Market Index gained 1.36 per cent, to 5,628.69 points last Friday.

In New York, share prices on the New York stock market continued to consolidate recent gains last week. The Dow closed lower at 15,755.36 points last Friday, posting a week-on-week loss of 1.65 per cent.

In the meantime, the tech stock-heavy Nasdaq Composite Index moved in tandem with the general market trend when it closed lower last week. The Nasdaq Composite Index closed lower at 4,000.98 points, giving a week-on-week loss of 61.54 points or 1.51 per cent.

Back at home, TAS Offshore Bhd (TAS) closed higher at RM1.13 last Friday, with a week-on-week gain of four sen, or 3.67 per cent.

The following are the readings of some of TAS' technical indicators:-

Moving Averages:

TAS' daily price trend had since stayed above its 10-, 20-, 30-, 50-, 100- and 200-day moving averages.

Momentum Index: Its short-term momentum index stayed above the support of its neutral ref-

erence line last week.

On Balance Volume (OBV): Its short-term OBV stayed above the support of its 10-day moving averages.

Relative Strength Index (RSI): Its 14-day RSI had since stayed above 50 per cent. Its technical reading stood at 58.94 per cent last Friday.

Outlook

Overall market sentiment on Bursa Malaysia continued to strengthen last week, moving in counter-trend with the mixed performances on the regional stock markets.

The FBM KLCI registered a three-day gain over the last five trading day last week. The index saw 17 of its countrs end higher when compared with 14 gainers previously.

Key blue-chips remained as the week's trading focus. Tenaga Nasional Bhd remained the week's top-performer, posting a year-to-date gain of 59.65 per cent.

Heavyweight index-linked counters continued to be well-supported by institutional investors' buying support last week. However, select Main Market second liners continued to find critical support too.

TAS was one of these counters with a week-on-week gain of four sen, or 3.67 per cent.

Chartwise, TAS' monthly price trend staged an overhead breakout of its im mediate overhead resistance last week. Its monthly fast monthly MACD (moving average convergence divergence indicator) stayed above its monthly slow MACD.

Its weekly price trend staged a successful re-test of its intermediate-term downside support (See TAS' weekly price chart — B1:B2).

On Friday, its weekly price trend stayed decisively above the support of its intermediate-term downside support (B1:B2).

TAS' daily price trend staged a technical breakout intermediate-term downtrend (See TAS' daily price trend — C1:C2) on Friday.

The decisive breach of this resistance augurs well for its near-term perspectives.

Its daily, weekly and monthly fast MACDs stayed above their respective slow MACDs last week.

Its 14-day Relative Strength Index (RSI) stood at 58.94 per cent. Its 14-week and 14-month RSI's were at 72.27 per cent and 78.72 per cent respectively.

Following the decisive breach of its intermediate-term downtrend (C3:C4), it is envisaged that TAS' daily price trend is likely to stage a follow-through rebound sometime this or next week. It is likely to rechallenge its immediate overhead resistance at between RM1.15 and RM1.35 over its intermediate-term perspectives.

The subject expressed above is based purely on technical analysis and opinions of the writer. It is not a solicitation to buy or sell.

