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TRADING RADAR

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Tenaga Nasional Berhad

(5347 | TNB MK) Utilities | Power Generation

Technical Target Price: RM11.10

Medium-term:

- **SMA (50,200) indicator achieved a Golden Cross in December 2022**
- **Share price broke above the RM9.50 resistance level last week**
- **Technical target price is pegged at RM11.10 in the medium-term**

Short-term:

- **RSI of TNB near its overbought level after a decisive breakout last week**
- **Share price to consolidate around RM10.00 level in the short-term**

Medium-term outlook:



Source: TradingView, MIDFR

- The underlying price trend of Tenaga Nasional Berhad (TNB) turned technically bearish in January 2020 as the SMA (50,200) indicator suffered a **Bear Cross** (i.e. SMA 50 went below 200).
- Subsequently, TNB share prices fell from RM12.50 levels in 1Q20 to RM8.00 levels in 3Q22.
- After almost 3 years, the SMA (50,200) indicator achieved a **Golden Cross** (i.e. SMA 50 went above 200) in December 2022.
- Thenceforth, the underlying price trend of TNB turned technically bullish.
- Last week, TNB share price **broke above the RM9.50 resistance** level.
- Based on trading range analysis, the technical target of TNB share price is pegged at **RM11.10 in the medium-term.**

Short-term outlook:



Source: TradingView, MIDFR

- The decisive breakout above the RM9.50 resistance level last week helped to thrust the 14-day **Relative Strength Index (RSI)** of TNB to near its **overbought** level.
- Hence, we expect TNB share price to begin **consolidating around RM10.00 level in the short-term.**
- Moreover, the short-term **downside is pegged at RM9.50**, which is its (resistance turned) support level.

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TECHNICAL BUY	The share price return is expected to *rise* by >10% over the next 2 months.
ADD	The share price return is expected to *rise* by >5% over the next 1 month.
REDUCE	The share price return is expected to *fall* by >5% over the next 1 month.
TECHNICAL SELL	The share price return is expected to *fall* by >10% over the next 2 months.