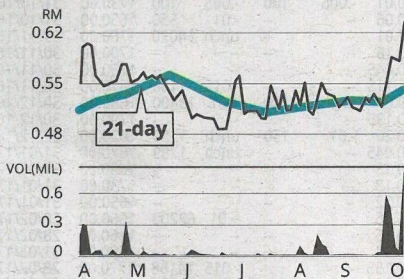


Ireka Corp

OCT 7 63 SEN



IREKA Corp Bhd (Ireka; Code: 8834) shares tumbled to a low of 48 sen on March 4, the worst since June 2006 after a prolonged downturn.

Thereafter, in the wake of light bargain hunting interest, prices stage a mild rebound, but the upside was capped by sporadic liquidation pressure and subsequently, prices turned range-bound undergoing consolidation.

That was the trading pattern until late last week, where this stock suddenly spiked amid a fresh bout of buying momentum:

Based on the daily chart, Ireka shares had penetrated the uppermost 200-day simple moving average line on Tuesday on resumption of business after the long weekend, and they charged forward to hit a high of 64 sen during intra-day session yesterday, also a new high for this year.

For now, the prevailing trend remains bearish, but Ireka appears making a fresh attempt to recover.

The success rate is pretty high this time round, with trading volumes building up, suggesting growing investors' interest.

Initial resistance is anticipated at the 70-71 sen range.

The next upper heavy barrier is seen at the 76-sen level, of which a decisive penetration would signal a bullish turnaround, meaning, Ireka shares will be on the mending course. So look out for that.

Elsewhere, the daily slow-stochastic momentum index retained the buy call, but the oscillator per cent K had indicated a slight topping out pictogram at the overbought area.

In stark contrast, the 14-day relative strength index rose from a reading of 45 late last month to settle the week at the 81 points level yesterday.

Also, the daily moving average convergence/divergence histogram expanded sharply and positively against the daily signal line to keep the bullish note. It had issued a buy call on Tuesday.

Technically, most of the indicators are encouraging, implying Ireka shares are likely to strengthen in the immediate term, with a great potential of making a major breakthrough going forward.

Current support is resting at 57 sen and the lower 48-sen level will act as a concrete floor. —
By K.M. Lee

The comments above do not represent a recommendation to buy or sell.