

Hatten Land – poised to breach above \$0.210 (26 Sep 17)

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Hatten Land (“Hatten”) has been trading in a tight range \$0.192 – 0.210 for the past two months. Recently, there seems to be a pick up in the volume traded for the past two days.

Hatten’s chart looks positive on several fronts.

Chart analysis

Based on **Chart 1** below, odds seem high that Hatten may be poised to breach above \$0.210 in the next couple of months. This is because

- The recent price increase (albeit mild price increase) is accompanied with volume. On the days which Hatten falls, it is accompanied with lower than average volume;
- A potential double bottom formation seems to be in the midst of formation with the neckline at \$0.210. Indicators such as RSI and MACD have strengthened.
- Notwithstanding Hatten’s sideways trading for the past two months, its OBV has been strengthening which may be indicative of smart money accumulating the stock;
- All the exponential moving averages (“EMAs”) have either stopped declining or have started to rise. In fact, 20D EMA has already turned higher.

Near term supports: \$0.200 / 0.198 / 0.196

Near term resistances: \$0.210 / 0.230 / 0.240

Chart 1: Looks positive



Source: Chartnexus as of 26 Sep 17

On the fundamental side...

With reference to **Figure 1** below, analysts seem to be positive on Hatten with an estimated average target price of around \$0.420. This signifies a more than 100% potential capital upside.

Figure 1: Analysts' average target price signifies >100% potential upside!



Source: Bloomberg as of 27 Sep 17

Conclusion

This write-up revolves around Hatten's chart as its chart has caught my attention. This is because \$0.210 is arguably an area of strong resistance as it is the confluence of several resistance points formed by 100D, 200D EMA, historical resistance and a downwards trend line formed since Feb 2017. If Hatten manages to breach \$0.210 with volume and on a sustained basis, the first measured technical target is around \$0.230. It may even head to the next resistance level of around \$0.255 – 0.265. Nevertheless, it is noteworthy that a sustained break below \$0.180 with volume is bearish for the chart. On balance, given the above chart analysis, odds are higher for Hatten for a potential breach above \$0.210 in the next few months.

For fundamental research, readers should refer to the various analysts' reports on Hatten.

P.S: I am vested in Hatten.

Disclaimer

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Source: [Ernest Lim's Investing Blog](#)