

31 May 2019

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Figure 1: Daily Charting – FBMKLCI



Source: Bloomberg, Kenanga Research

Basic Data				Technical Ratings			
52-week High	1,826.90		(in Million)	Resistance 2	1,670	MACD	Bullish
52-week Low	1,572.03	KLCI Vol	134.86	Resistance 1	1,650	RSI (14)	Neutral
Current Level	1,636.50	Bursa Vol	2467.52	Current Level	1,636.50	Stochastic	Overbought
Intraday High	1,639.42	Bursa Val	2670.86	Support 1	1,610		
Intraday Low	1,620.28			Support 2	1,585	Outlook	Neutral

FBMKLCI continues to record gains

- Asian market ended mostly lower, as investors remain cautious over lingering trade fears.
- Back home, the FBMKLCI recorded gains of 12.83 points (+0.79%) to end at 1,636.50.
- The primary downtrend remains intact as the share remains below its 100-day SMA. Should the index break above its 100-day SMA, we opine outlook should turn bullish.
- From here, resistance levels can be identified at 1,650 (R1) and 1,670 (R2). Conversely, supports can be found at 1,610 (S1) and 1,585 (S2).

Wall street bounced slightly on slower trade talk progress

- Wall Street ended the day marginally higher, as investors took a breather from trade-inspired sell down.
- The Dow rose 43.47 points (+0.17%) to close at 25,169.88.
- Nevertheless, overall technical outlook still appears bearish as the index is currently trading below all key SMAs, while other momentum indicators remain lacklustre.
- We expect the Dow to fall further to its support at 25,200 (S1) and even 25,000 (S2).
- Conversely, the index may head back to its resistances at 26,000 (R1) and 26,300 (R2) in the case of any positive global news.

Daily technical highlights – (IWCITY, CARIMIN)

IWCITY (Not Rated)

- IWCITY gained 2.5 sen (+3.05%) to close at RM0.845 yesterday.
- The stock has been trading within the descending channel since mid-April 2019 after the share gapped up twice coupled with heavy trading volume.
- Lately, the share has broken out from the descending channel with higher-than-average trading volume and attempting to test the resistance at 20 and 50-days SMAs, hence we are expecting the share to continue its upward movement.
- Should buying momentum persist, resistance can be seen at RM0.920 (R1) and RM1.050 (R2)
- On the other hand, key support level can be found at RM0.780 (S1) and RM0.750 (S2).

CARIMIN (Not Rated)

- CARIMIN increased by 10.0sen (+16.39%) to end at RM0.710 yesterday.
- Chart-wise, the stock has broken below the key SMAs since mid-May 2019 and lately it has started to rebound from the downward movement after forming a Doji candle. The strong buying sentiment was confirmed by the formation of long bullish candle yesterday coupled with above-average trading volume.
- Hence, we expect the stock to test its resistance at RM0.750 (R1) and RM0.830 (R2).
- Conversely, downside support can be seen at RM0.540 (S1) and RM0.460 (S2).

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Figure 2: Daily Charting – Dow Jones Industrial Average

Figure 3: Daily Charting – Iskandar Waterfront City Bhd (Not Rated)


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Figure 4: Daily Charting – Carimin Petroleum Bhd (Not Rated)



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Unrealised Positions (May 2019)

No	CATS Code	Stock Name	Issued Date (ID)	Price @ ID	Target Price	Stop- Loss	Upside Potential @ ID	Downside Risk @ ID	Reward/ Risk Ratio @ ID	Last Price	Dividend Received since ID	Gain/ Loss (incl. Div.)	Gain/ Loss	Rating	Comment/ Action
					RM	RM	(%)	(%)	(x)	RM	RM	RM	(%)		
1	6599	AEON CO (M) BHD	28-Sep-18	1.740	1.950	1.620	12.07%	-6.90%	1.8	1.520		-0.22	-12.64%	BUY	
2	0080	STRAITS INTER LOGISTICS BHD	22-Feb-19	0.240	0.300	0.200	25.00%	-16.67%	1.5	0.225		-0.02	-6.25%	BUY	
3	7579	AWC BERHAD	27-Feb-19	0.770	0.865	0.675	12.34%	-12.34%	1.0	0.705		-0.07	-8.44%	BUY	
		Simple Average					16.47%	-11.97%	1.42				-9.11%		

*Tracker does not include Non-Rated positions

Realised Positions (May 2019)

No	CATS Code	Stock Name	Issued Date	Buy Price	Price since Buy Date	Price change since Buy Date (%)	Sell Date	Sell Price	Dividend Received since ID	Gain/ Loss (incl. Div.)	Gain/ Loss	Rating	Comment/ Action
					(H) (L)	(H) (L)		RM	RM	RM	(%)		
		Simple Average											

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Basic Technical Terms:

Reversal Candlesticks	Patterns	Description
Doji Dragonfly Doji (Bullish) Gravestone Doji (Bearish)		Dojis form when a security's open and close are virtually equal. The length of the upper and lower shadows can vary, and the resulting candlestick looks like, either, a cross, inverted cross, or plus sign. Doji convey a sense of indecision or tug-of-war between buyers and sellers.
Engulfing Pattern		A reversal pattern that can be bearish or bullish, depending upon whether it appears at the end of an uptrend (bearish engulfing pattern) or a downtrend (bullish engulfing pattern). The first day is characterized by a small body, followed by a day whose body completely engulfs the previous day's price action.
Hammer (Bullish) Shooting Star (Bearish)		Hammer candlesticks form when a security moves significantly lower after the open, but rallies to close well above the intraday low. This appears in a downtrend. In contrast, the Shooting Star pattern appears in an uptrend. It opens higher, trades much higher, then closes near its open. It looks just like the Inverted Hammer except that it is bearish.
Inverted Hammer (Bullish) Hanging Man (Bearish)		The Inverted Hammer is a single-day bullish reversal pattern. In a downtrend, the open is lower, then it trades higher, but closes near its open price, therefore looking like an inverted lollipop. Hanging Man candlesticks form when a security moves significantly lower after the open, but rallies to close well above the intraday low.
Harami Harami Cross		The Harami is a two-day pattern that can be bullish or bearish. It has a small body day completely contained within the range of the previous body, and is the opposite colour. The Harami Cross is similar to the Harami. The difference is that the last day is a Doji.
Marubozu		A Marubozu candlestick has no shadow extending from the body at either the open, the close or at both.
Morning Doji Star (Bullish) Evening Doji Star (Bearish)		A Morning Doji Star (Evening Doji Star) is a three-day candlestick bullish (bearish) reversal pattern - a long-bodied black (white) candle extending the current downtrend, a short middle candle that gapped down (up) on the open, and a long-bodied white candle that gapped up (down) on the open and closed above (below) the midpoint of the body of the first day.
Spinning Top		Spinning Tops are candlestick lines that have small bodies with upper and lower shadows that exceed the length of the body. They are similar to the Doji candlesticks, and signal indecision.

Source: Various

Common Chart Patterns					
Reversal Patterns	Inverted Head & Shoulders (Bullish)	Head & Shoulders (Bearish)	Wedge Reversal (Bullish/ Bearish)	Double Top (Bearish)	Double Bottom (Bullish)
Continuation Patterns	Symmetrical Triangle (Bullish/ Bearish)	Ascending Triangle (Bullish)	Channels (Bullish/ Bearish)	Flags (Bullish/ Bearish)	Pennant (Bullish/ Bearish)

Source: Various

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