

19 September 2019

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Source: Bloomberg, Kenanga Research

Basic Data		Technical Ratings	
52-week High	1,813.53	Resistance 2	1,650
52-week Low	1,572.03	Resistance 1	1,630
Current Level	1,599.49	Current Level	1,599.49
Intraday High	1,599.57	Support 1	1,570
Intraday Low	1,594.09	Support 2	1,550
		MACD	Bearish
		RSI (14)	Neutral
		Stochastic	Neutral
		Outlook	Bearish

Asian stocks mixed as investors remain cautious over a surge in oil prices

- Asian markets closed mixed as investors remained on the side-lines ahead of the Fed meeting.
- Back home, the FBMKLCI fell 4.81 points (-0.30%) to end at 1,599.49.
- Chart-wise, the underlying trend of the index remains bearish as the index remains below 50- and 100-day SMAs.
- Should the selling pressure persist, key support levels can be seen at 1,570 (S1) and 1,550 (S2).
- Conversely, overhead resistance levels can be found at 1,630 (R1) and 1,650 (R2).

Wall Street ends mixed on uncertainty of further rate cuts

- Wall Street closed mixed on uncertainty of further rate cuts by the Fed after its policy meeting on Wednesday which saw an expected rate cut.
- The Dow rose 36.28 points (+0.13%) to close at 27,147.08.
- Chart-wise the underlying trend of the index remains intact as the index remains above all key SMAs. With room for further uptick on RSI, we believe momentum remains strong and that the index could re-test the 27,400 level.
- From here on, resistance levels can be identified at 27,400 (R1) and 28,000 (R2), while support levels can be found at 26,800 (S1) and 26,400 (S2).

Daily technical highlights – (MI, VS)

MI (Not Rated)

- MI gained 4.0sen (+1.89%) to close at RM2.16 yesterday.
- The share has been on a rally since breaking above its 100-day SMA in late-Aug 2019.
- With RSI and stochastic indicators in overbought territory, we reckon the share should experience a consolidation in the near-term.
- Should buying momentum continue, key resistance can be seen at RM2.24 (R1) and RM2.30 (R2).
- Conversely, key support levels can be found at RM2.04 (S1) and RM1.92 (S2).

VS (Not Rated)

- Yesterday, VS rose 3.0 sen (+2.26%) to end at RM1.36.
- The underlying uptrend of the share remains intact given that the share remains above its key SMAs.
- Coupled with encouraging upticks in RSI and other momentum indicators, we believe the share could be poised for further gains.
- From here, resistances can be found at RM1.39 (R1) and RM1.58 (R2).
- Conversely, downside supports can be identified at RM1.25 (S1) and RM1.17 (S2).

Figure 4: Daily Charting – V.S. Industry Berhad (Not Rated)



Source: Bloomberg, Kenanga Research

About the stock:

Name	:	V.S. Industry Berhad
Bursa Code	:	VS
CAT Code	:	6963
Shariah Compliant	:	Yes
Market Cap	:	2,488.7
52 Week High/Low	:	1.8/0.63
3-m Avg. Daily Vol.	:	12,009,350.00
Free Float (%)	:	56.84%
Beta vs. KLCI	:	0.815

Key Support & Resistance Levels

Resistance	:	RM1.39 (R1)	RM1.58 (R2)
Support	:	RM1.25 (S1)	RM1.17 (S2)
Outlook	:	Bullish	

What does the indicator says

MACD	:	Bullish
RSI	:	Neutral
Stochastic	:	Overbought
Trend	:	Bullish

What should you do

Current Share Price	:	RM1.36
Technical Target	:	-
Technical Cut-loss	:	-

Fundamental Call

Kenanga	:	-
Consensus	:	RM1.36

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Unrealised Positions (September 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	1.480		-0.26	-14.94%	BUY	
2	0080	STRAITS INTER LOGISTICS BHD	22-Feb-19	0.240	0.300	0.200	25.00%	-16.67%	1.5	0.205		-0.04	-14.58%	BUY	
3	7579	AWC BERHAD	27-Feb-19	0.770	0.865	0.675	12.34%	-12.34%	1.0	0.610		-0.16	-20.78%	BUY	
		Simple Average					16.47%	-11.97%	1.42				-16.77%		

*Tracker does not include Non-Rated positions

Realised Positions (September 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		
		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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