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Figure 1: Daily Charting – FBMKLCI

Source: Bloomberg, Kenanga Research

Basic Data				
52-week High	1,740.83			
52-week Low	1,548.45		**KLCI Vol**	96.26
Current Level	1,574.50		**Bursa Vol**	2330.54
Intraday High	1,577.04		**Bursa Val**	1878.06
Intraday Low	1,569.21			

Technical Ratings				
Resistance 2	1,650		**MACD**	Bullish
Resistance 1	1,630		**RSI (14)**	Neutral
Current Level	1,574.50		**Stochastic**	Neutral
Support 1	1,550			
Support 2	1,510		**Outlook**	Bearish

Asian stocks mixed on longer U.S.-China trade deal waiting period

- Asian stocks closed mixed yesterday following a report that U.S.-China trade deal needs more time.
- Back home, the FBMKLCI slipped 0.40 points (-0.03%) to close at 1,574.50.
- Chart-wise, the underlying trend remains bearish as the index is trading below all the key SMAs. However we believe the index is currently undergoing a rebound rally, as highlighted in our piece on 15-Oct-19.
- Support levels can be identified at 1,550 (S1) and 1,510 (S2), while overhead resistance levels can be found at 1,630 (R1) and 1,650 (R2).

Wall Street inches higher on Brexit draft agreement and upbeat corporate earnings

- U.S. stocks closed higher as investors' optimism was fuelled by a Brexit draft agreement and upbeat corporate earnings.
- The Dow gained 23.90 (+0.09%) to end at 27,025.88.
- Chart-wise, the index is trending above all its key SMAs, which is seen as positive. With MACD indicator forming a bullish crossover, we believe the index could trend higher.
- From here on, resistance levels can be identified at 27,400 (R1) and 28,000 (R2), while support levels can be found at 26,600 (S1) and 25,700 (S2).

Daily technical highlights – (LAYHONG, BAHVEST)

LAYHONG (Not Rated)

- LAYHONG gained 3.0 sen (+6.74%) to end at RM0.475, yesterday.
- We note the share has recently bounced off its 100-day SMA and could continue its rally. The 20 and 100 day SMAs are in a "Golden-Cross" formation indicating a shift in trend.
- Coupled with a bullish crossover signal from MACD indicator, we believe the share could be poised to head higher.
- Key resistance levels to look out for are RM0.490 (R1) and RM0.530 (R2). Conversely, support levels can be identified at RM0.445 (S1) and RM0.415 (S2).

BAHVEST (Not Rated)

- BAHVEST gained 6.0 sen (+13.04%) yesterday to close at RM0.520.
- The share has recently broken below its 100-day SMA. However, we note the formation of a candlestick with a long lower wick signifying returning buying interest.
- We make reference a similar event in December 2018 when the share broke below its 100-day SMA and rebounded. As such, we believe that there could be a technical rebound soon.
- Key resistance levels to keep an eye on are RM0.570 (R1) and RM0.635 (R2) as the resistance levels.
- On the other hand, any further downside should see support at RM0.515 (S1) and RM0.460 (S2).

Figure 2: Daily Charting – Dow Jones Industrial Average

Source: Bloomberg, Kenanga Research

Figure 3: Daily Charting – Lay Hong Berhad (Not Rated)

About the stock:

Name	:	Lay Hong Berhad
Bursa Code	:	LAYHONG
CAT Code	:	9385
Shariah Compliant	:	Yes
Market Cap	:	313.6
52 Week High/Low	:	0.52/0.33
3-m Avg. Daily Vol.	:	1,995,403.00
Free Float (%)	:	38.72%
Beta vs. KLCI	:	1.0

Key Support & Resistance Levels

Resistance	:	RM0.490 (R1) RM0.530 (R2)
Support	:	RM0.445 (S1) RM0.415 (S2)
Outlook	:	Bullish

What does the indicator says

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

What should you do

Current Share Price	:	RM0.475
Technical Target	:	-
Technical Cut-loss	:	-

Fundamental Call

Kenanga	:	-
Consensus	:	-

Source: Bloomberg, Kenanga Research

Figure 4: Daily Charting – Bahvest Resources Berhad (Not Rated)

About the stock:

Name	:	Bahvest Resources Berhad
Bursa Code	:	BAHVEST
CAT Code	:	0098
Shariah Compliant	:	Yes
Market Cap	:	637.0
52 Week High/Low	:	0.74/0.33
3-m Avg. Daily Vol.	:	3,679,521.00
Free Float (%)	:	58.46%
Beta vs. KLCI	:	0.966

Key Support & Resistance Levels

Resistance	:	RM0.570 (R1) RM0.635 (R2)
Support	:	RM0.515 (S1) RM0.460 (S2)
Outlook	:	Bullish

What does the indicator says

MACD	:	Bearish
RSI	:	Neutral
Stochastic	:	Oversold
Trend	:	Neutral

What should you do

Current Share Price	:	RM0.520
Technical Target	:	-
Technical Cut-loss	:	-

Fundamental Call

Kenanga	:	-
Consensus	:	-

Source: Bloomberg, Kenanga Research

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Unrealised Positions (October 2019)

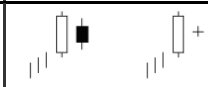
No	CATS Code	Stock Name	Issued Date (ID)	Price @ ID	Target Price	Stop-Loss	Upside Potential @ ID	Downside Risk @ ID	Reward/ Risk Ratio @ ID	Last Price	Dividend Received since ID	Gain/ Loss (incl. Div.)	Gain/ Loss	Rating	Comment/ Action
					RM	RM	(%)	(%)	(x)	RM	RM	RM	(%)		
1	6599	AEON CO (M) BHD	28-Sep-18	1.740	1.950	1.620	12.07%	-6.90%	1.8	1.570		-0.17	-9.77%	BUY	
2	0080	STRAITS INTER LOGISTICS BHD	22-Feb-19	0.240	0.300	0.200	25.00%	-16.67%	1.5	0.215		-0.03	-10.42%	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**				**-13.66%**		

*Tracker does not include Non-Rated positions

Realised Positions (October 2019)

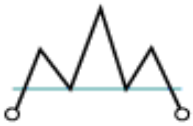
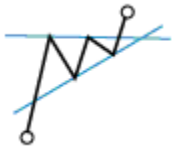
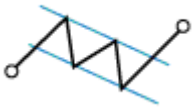
No	CATS Code	Stock Name	Issued Date	Buy Price	Price since Buy Date		Price change since Buy Date (%)		Sell Date	Sell Price	Dividend Received since ID	Gain/ Loss (incl. Div.)	Gain/ Loss	Rating	Comment/ Action
					(H)	(L)	(H)	(L)		RM	RM	RM	(%)		
		Simple Average													

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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