Research by kenanga

# 10 October 2019



## Asian markets mixed due to trade uncertainties

- Asian stocks ended mixed as investors are uncertain with the trade talk due to commence later this week.
- Back home, the FBMKLCI closed marginally lower by 7.56 points (-0.48%) to end at 1,551.23.
- Chart-wise, underlying trend remains bearish as the index is trading below all the key SMAs coupled. However, given the steep decline last week and new oversold levels in RSI, we do not discount the possibility of a rebound rally
- Key support levels to watch out for are 1,550 (S1) and 1,510 (S2).
- Conversely, overhead resistance levels can be found at 1,630 (R1) and 1,650 (R2).

#### Wall Street rose on a potential partial trade deal

- U.S. stocks closed higher on reignited trade hopes as China signalled that they are ready for a partial trade deal.
- The Dow rose 181.97 (+0.70%) to end at 26,346.01.
- Chart-wise, the index has rebounded upon touching the supporting level and has been testing its 50 and 100-days SMAs.
- From here on, resistance levels can be identified at 27,000 (R1) and 27,400 (R2), while support levels can be found at 25,700 (S1) and 25,000 (S2).

# Daily technical highlights - (MFCB, ABMB)

## MFCB (Not Rated)

- MFCB gain 2.0 sen (+0.47%) to close at RM4.29.
- Chart-wise, the share continues to achieve historical high and it has been trending above the key SMAs with significant trading volume.
- Coupled with bullish MACD, we believe the share could move higher.
- As such, we expect the share to trend higher to test the resistance level at RM4.60 (R1) and RM5.00 (R2)
- On the other hand, support levels can be found at RM4.00 (S1) and RM3.70 (S2).

## ABMB (Not Rated)

- ABMB dropped 3.0 sen (-1.12%) to close at RM2.65.
- Chart-wise, the share continues to trade in the downtrend following the breakout from a "Flag" continuation chart pattern.
- Coupled with bearish MACD, we believe the share may continue its downward movement.
- As such, support levels can be found at RM2.40 (S1) and RM2.20 (S2).
- Conversely, the resistance level can be identified at RM3.00 (R1) and RM3.30 (R2)

kenanga

PP7004/02/2013(031762)

# **On Our Technical Watch**

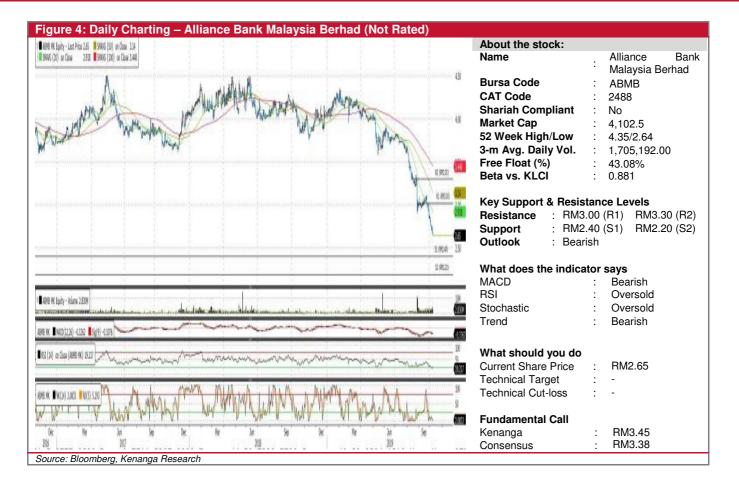
## 10 October 2019



F II MFB W Kopiny - Las Price 4.24 II SWNG (SI) on Class 3.887	About the stock:
+11,9446 (20) or Close 4.466 11,9446 (110) or Close 3.73	Name Mega First
2 (944)	: Corporation
	Berhad
	Bursa Code : MFCB
	CAT Code : 3069
	Shariah Compliant : Yes
3040 V 10400	Market Cap : 1,738.0
	52 Week High/Low : 4.32/2.99
A TOM A CARDON AND A	3-m Avg. Daily Vol. : 486,054.80
	Free Float (%) : 55.05%
	Beta vs. KLCI : 0.8
	Key Support & Resistance Levels
	Resistance : RM4.60 (R1) RM5.00 (R2)
	Support : RM4.00 (S1) RM3.70 (S2)
iiiiii	Outlook : Bullish
	What does the indicator says
	MACD : Bullish
B MR3 M Guity - Mare LANN	RSI : Neutral
	Stochastic : Overbought
	Trend : Bullish
	What should you do
	Current Share Price : RM4.29
	Technical Target : -
	Technical Cut-loss : -
M M M M M	Fundamental Call
lan Feb Har kar Hay Jun Jul kay Sep Oct Nov Dec Jan Feb Har kar Hay Jun Jul kay Sep Oct	Kenanga : -
	Consensus : RM5.02
Source: Bloomberg, Kenanga Research	

PP7004/02/2013(031762)

**kenanga** 



This section is intentionally left blank



# 10 October 2019

# **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	1.510		-0.23	-13.22%	BUY	
2	0080	STRAITS INTER LOGISTICS BHD	22-Feb-19	0.240	0.300	0.200	25.00%	-16.67%	1.5	0.220		-0.02	-8.33%	BUY	
3	7579	AWC BERHAD	27-Feb-19	0.770	0.865	0.675	12.34%	-12.34%	1.0	0.595		-0.18	-22.73%	BUY	
		Simple Average					16.47%	-11.97%	1.42				-14.76%		

\*Tracker does not include Non-Rated positions

# **Realised Positions (October 2019)**

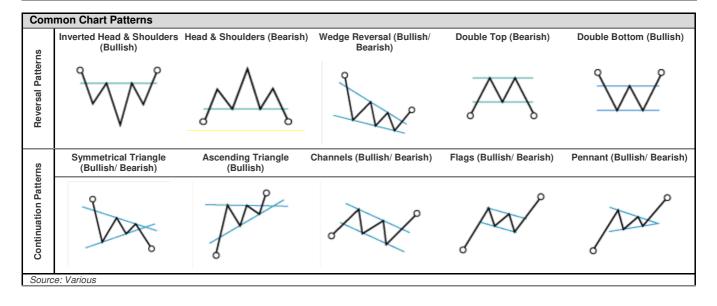
No	CATS Code	Stock Name	Issued Date	Buy Price	Price s Buy I		Price chai Buy Da	nge since ate (%)	Sell Date	Sell Price	Dividend Received since ID	Gain/ Loss (incl. Div.)	Gain/ Loss	Rating	Comment/ Action
					(H)	(L)	(H)	(L)		RM	RM	RM	(%)		
		Simple Average													



## 10 October 2019

## **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	in the second s	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)	<sup>™</sup> ∎_ III	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)	<sup>'</sup> I∎ <sub>+</sub> ġ "ı <sup>↓</sup>	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		·



This document has been prepared for general circulation based on information obtained from sources believed to be reliable but we do not make any representations as to its accuracy or completeness. Any recommendation contained in this document does not have regard to the specific investment objectives, financial situation and the particular needs of any specific person who may read this document. This document is for the information of addressees only and is not to be taken in substitution for the exercise of judgement by addressees. Kenanga Investment Bank Berhad accepts no liability whatsoever for any direct or consequential loss arising from any use of this document or any solicitations of an offer to buy or sell any securities. Kenanga Investment Bank Berhad and its associates, their directors, and/or employees may have positions in, and may effect transactions in securities mentioned herein from time to time in the open market or otherwise, and may receive brokerage fees or act as principal or agent in dealings with respect to these companies.

Published and printed by:

## KENANGA INVESTMENT BANK BERHAD (15678-H)

Level 17, Kenanga Tower, 237, Jalan Tun Razak, 50400 Kuala Lumpur, Malaysia Telephone: (603) 2172 0880 Website: <u>www.kenanga.com.my</u> E-mail: <u>research@kenanga.com.my</u>



PP7004/02/2013(031762)