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Source: Bloomberg, Kenanga Research

Basic Data		Technical Ratings	
52-week High	1,732.27	Resistance 2	1,650
52-week Low	1,548.45	Resistance 1	1,630
Current Level	1,592.19	Current Level	1,592.19
Intraday High	1,601.36	Support 1	1,570
Intraday Low	1,587.07	Support 2	1,550
		MACD	Bearish
		RSI (14)	Neutral
		Stochastic	Neutral
		Outlook	Neutral

Asian markets tumble as US-China trade worries grew

- Asian markets skidded yesterday over the possible delay of a preliminary trade deal between US-China which may not be signed by this year.
- Back home, the FBMKLCI slipped 8.95 points (-0.56%) to close at 1,592.19.
- Chart-wise, the index plunged below the crucial 1600-pts level amid renewed trade uncertainties that hit world markets. We observe that the MACD indicator has formed a bearish crossover and the index has now broken below its 20 day-SMAs. However as the index remains above its 50-day SMA, we expect it to experience a near-term consolidation.
- From here on, overhead resistance can be seen at 1,630 (R1) and 1,650 (R2).
- Conversely, key support levels can be found at 1,570 (S1) and 1,550 (S2).

Wall Street dips amid anxiety over trade

- The US stock indices moved slightly lower after investors digested mixed messages with no concrete signs on the progress of the US-China trade negotiations.
- The Dow lost 54.80 points (-0.20%) to end at 27,766.29.
- Chart-wise, the underlying uptrend of the index remains intact as the index continues to trade above all its key SMAs. However as the RSI and Stochastic are seen to be coming off the overbought levels, we expect the possibility of a short term retracement to happen soon.
- Key resistance level is found at 28,000 (R1) and 28,400 (R2), while support levels can be seen at 27,200 (S1) and 26,700 (S2).

Daily technical highlights – (PETGAS, TGUAN)

PETDAG (Not Rated)

- PETDAG slipped 58.0 sen (-2.40%) to close at RM23.58 yesterday.
- Chart-wise, we observed that PETDAG could be entering into a declining trend after a “Spinning Top” candlestick was formed on Wednesday.
- Coupled with lacklustre signals from key momentum indicators, we believe the share could potentially head lower.
- Should selling pressure persist, we expect the share to head lower with support levels identified at RM23.10 (S1) and further below at RM21.20 (R2).
- Conversely, resistance levels can be seen at RM24.40 (R1) and RM25.20 (R2).

TGUAN (Not Rated)

- TGUAN rallied 27.0sen (+8.60%) to close at RM3.42, after reporting stronger earnings that exceeded market’s expectations.
- Despite the near-term technical outlook which is appearing bullish, we believe the recent share price movement was overdone as both RSI and stochastic indicators are in the overbought zone.
- Hence, we expect the share to retrace over the next few days to its support levels of RM3.10 (S1) and RM2.80 (S2).
- Conversely, resistance levels can be seen at RM3.60 (R1) and RM3.80 (R2).

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Figure 2: Daily Charting – Dow Jones Industrial Average



Source: Bloomberg, Kenanga Research

Figure 3: Daily Charting –Petronas Dagangan Berhad (Not Rated)



Source: Bloomberg, Kenanga Research

About the stock:

Name	: Petronas Dagangan Berhad
Bursa Code	: PETGAS
CAT Code	: 5681
Shariah Compliant	: Yes
Market Cap	: 23,425.6
52 Week High/Low	: 28.48/21.2
3-m Avg. Daily Vol.	: 345,904.80
Free Float (%)	: 19.55%
Beta vs. KLCI	: 0.8

Key Support & Resistance Levels

Resistance	: RM24.40 (R1) RM25.20 (R2)
Support	: RM23.10 (S1) RM21.20 (S2)
Outlook	: Bearish

What does the indicator says

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

What should you do

Current Share Price	: RM23.58
Technical Target	: -
Technical Cut-loss	: -

Fundamental Call

Kenanga	: RM22.45
Consensus	: RM24.36

Figure 4: Daily Charting – Thong Guan Industries Berhad (Not Rated)



About the stock:

Name	:	Thong Guan Industries Berhad
Bursa Code	:	TGUAN
CAT Code	:	7034
Shariah Compliant	:	Yes
Market Cap	:	628.0
52 Week High/Low	:	3.47/2.18
3-m Avg. Daily Vol.	:	362,047.60
Free Float (%)	:	47.34%
Beta vs. KLCI	:	1.030

Key Support & Resistance Levels

Resistance	:	RM3.60 (R1)	RM3.80(R2)
Support	:	RM3.10 (S1)	RM2.80 (S2)
Outlook	:	Bullish	

What does the indicator says

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

What should you do

Current Share Price	:	RM3.42
Technical Target	:	-
Technical Cut-loss	:	-

Fundamental Call

Kenanga	:	RM4.10
Consensus	:	RM4.14

Source: Bloomberg, Kenanga Research

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Unrealised Positions (November 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	0.605		-0.17	-21.43%	BUY	
		Simple Average					16.47%	-11.97%	1.42				-14.33%		

*Tracker does not include Non-Rated positions

Realised Positions (November 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													

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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Published and printed by:

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