

02 January 2020

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Figure 1: Daily Charting – FBMKLCI



Source: Bloomberg, Kenanga Research

Basic Data				Technical Ratings			
52-week High	1,732.27			Resistance 2	1,650	MACD	Neutral
52-week Low	1,548.45	KLCI Vol	104.60	Resistance 1	1,630	RSI (14)	Neutral
Current Level	1,588.76	Bursa Vol	2254.55	Current Level	1,588.76	Stochastic	Overbought
Intraday High	1,610.69	Bursa Val	1753.36	Support 1	1,550		
Intraday Low	1,588.76			Support 2	1,540	Outlook	Bullish

## Asian markets mostly down on last day of the year

- Asian markets retreat tracking the U.S. market as investors stay cautious on the trade deal despite increasing expectation of the signing of a Phase 1 deal soon.
- Back home FBMKLCI dropped by 26.91 points (-1.67%) to close at 1,588.76.
- Chart-wise, the index is still holding itself to trade above all of its key SMAs. Coupled with a bullish signal from MACD, there may be more upside potential.
- From here, we expect the index to test resistance levels at 1,630 (R1) and 1,650 (R2).
- Meanwhile, support levels to watch out for are 1,550 (S1) and 1,540 (S2).

## Wall Street ended the year with a strong finish

- U.S. stocks closed higher with positive development on US-China trade deal, with the signing of the 1<sup>st</sup> Phase expected to take place on 15 Jan.
- The Dow closed higher by 76.30 points (+0.27) to 28,538.44.
- Chart-wise, the index continues to trend above all its key SMAs, which is seen as positive with the underlying trend staying intact. With room for further upticks in the RSI, we believe the momentum remains strong and the index could trend higher.
- With that, key resistance levels are seen at 28,700 (R1) and 29,000 (R2), while support levels can be seen at 27,100 (S1) and 26,600 (S2).

## Daily technical highlights – (ANNJOO, TAKAFUL)

### ANNJOO (Not Rated)

- Yesterday, ANNJOO was unchanged at RM1.22.
- Chart-wise, the stock's trend has turned to a bullish stance since early-December.
- Yesterday candlestick continued respecting the 20-Day SMA, while backed by above-average trading volume. Coupled with an uptick in key technical indicator, we expect the bullish momentum to persist.
- Should the share head north, overhead resistance can be found at RM1.35 (R1) and RM1.61 (R2).
- Conversely, key support levels are seen at RM1.09 (S1) and RM0.950 (S2)

### TAKAFUL (Not Rated)

- TAKAFUL remained unchanged to close at RM5.70 yesterday.
- The stock has been on a downtrend since early-June this year after achieving a record high.
- Yesterday candlestick continued to close lower below all key-SMA. Nevertheless, we believe the stock could rebound, given an uptick of RSI from its oversold region while selling momentum continues to ease.
- Should buying interest resume resistance can be seen at RM6.50 (R1) and RM6.70 (R2).
- Conversely, key support levels are seen at RM5.30 (S1) and RM4.80 (S2)

02 January 2020

**Figure 2: Daily Charting – Dow Jones Industrial Average**


Source: Bloomberg, Kenanga Research

**Figure 3: Daily Charting – Anjoo Resources Bhd (Not Rated)**


Source: Bloomberg, Kenanga Research

**About the stock:**

<b>Name</b>	: Ann Joo Resources Bhd
<b>Bursa Code</b>	: ANNJOO
<b>CAT Code</b>	: 6556
<b>Shariah Compliant</b>	: Yes
<b>Market Cap</b>	: 632.5
<b>52 Week High/Low</b>	: 1.88/0.95
<b>3-m Avg. Daily Vol.</b>	: 697,123.40
<b>Free Float (%)</b>	: 28.99%
<b>Beta vs. KLCI</b>	: 1.4

**Key Support & Resistance Levels**

<b>Resistance</b>	: RM1.35 (R1) RM1.61 (R2)
<b>Support</b>	: RM1.09 (S1) RM0.950 (S2)
<b>Outlook</b>	: Bullish

**What does the indicator says**

<b>MACD</b>	: Bullish
<b>RSI</b>	: Neutral
<b>Stochastic</b>	: Neutral
<b>Trend</b>	: Bullish

**What should you do**

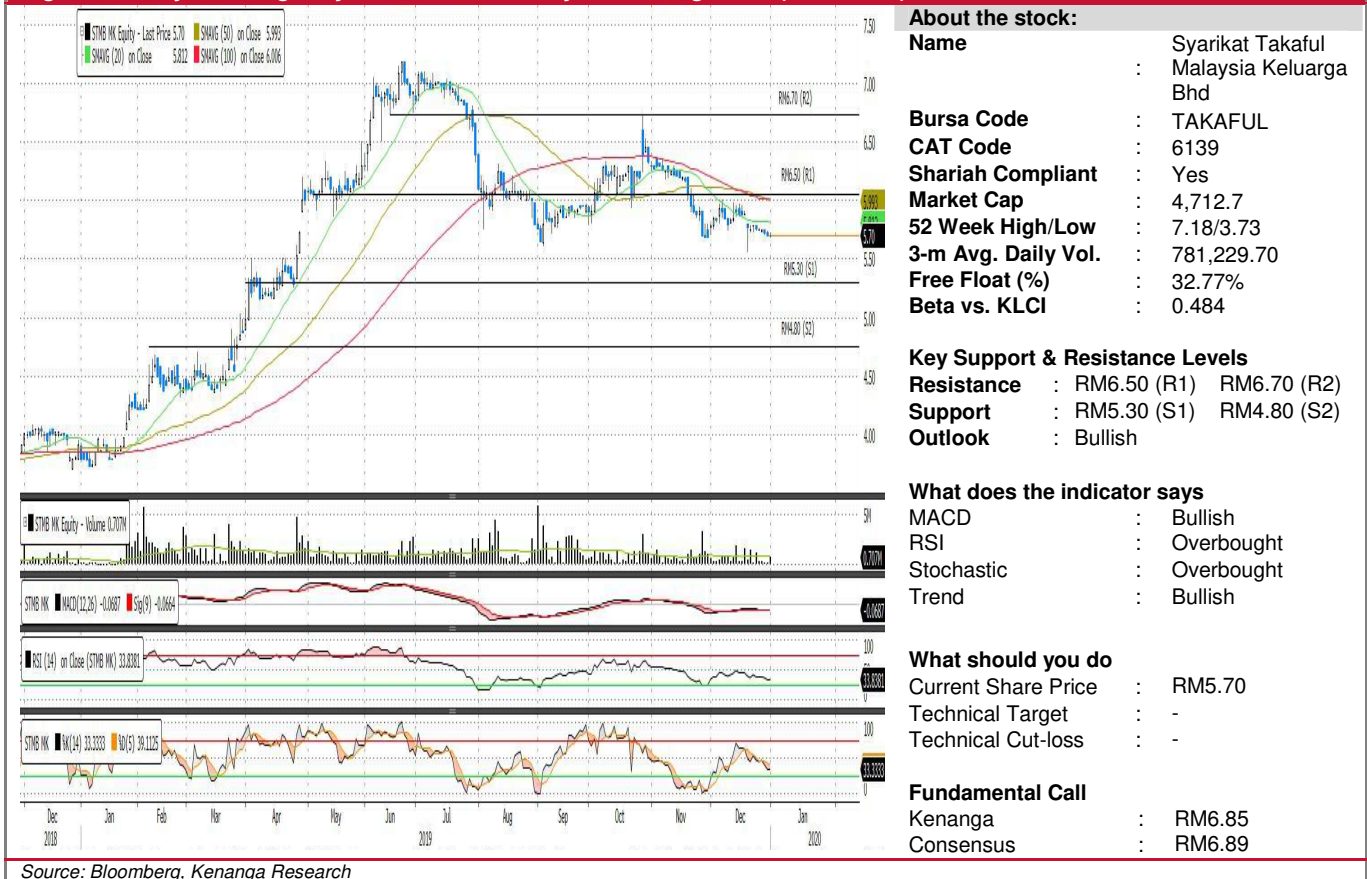
<b>Current Share Price</b>	: RM1.22
<b>Technical Target</b>	: -
<b>Technical Cut-loss</b>	: -

**Fundamental Call**

<b>Kenanga</b>	: RM0.85
<b>Consensus</b>	: RM0.98

02 January 2020

Figure 4: Daily Charting – Syarikat Takaful Malaysia Keluarga Bhd (Not Rated)



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02 January 2020

## Unrealised Positions (January 2020)

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	1.420		-0.32	-18.39%	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	0.610		-0.17	-22.08%	BUY	
		<b>Simple Average</b>					<b>16.47%</b>	<b>-11.97%</b>	<b>1.42</b>				<b>-15.57%</b>		

\*Tracker does not include Non-Rated positions

## Realised Positions (January 2020)

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	(%)		
		<b>Simple Average</b>											



02 January 2020

**Basic Technical Terms:**

Reversal Candlesticks	Patterns	Description
<b>Doji</b> <b>Dragonfly Doji (Bullish)</b> <b>Gravestone Doji (Bearish)</b>		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.
<b>Engulfing Pattern</b>		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.
<b>Hammer (Bullish)</b> <b>Shooting Star (Bearish)</b>		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.
<b>Inverted Hammer (Bullish)</b> <b>Hanging Man (Bearish)</b>		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.
<b>Harami</b> <b>Harami Cross</b>		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.
<b>Marubozu</b>		A Marubozu candlestick has no shadow extending from the body at either the open, the close or at both.
<b>Morning Doji Star (Bullish)</b> <b>Evening Doji Star (Bearish)</b>		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.
<b>Spinning Top</b>		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	<b>Inverted Head &amp; Shoulders (Bullish)</b>	<b>Head &amp; Shoulders (Bearish)</b>	<b>Wedge Reversal (Bullish/ Bearish)</b>	<b>Double Top (Bearish)</b>	<b>Double Bottom (Bullish)</b>
Continuation Patterns	<b>Symmetrical Triangle (Bullish/ Bearish)</b>	<b>Ascending Triangle (Bullish)</b>	<b>Channels (Bullish/ Bearish)</b>	<b>Flags (Bullish/ Bearish)</b>	<b>Pennant (Bullish/ Bearish)</b>

Source: Various

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Published and printed by:

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