

24 December 2019

By Koh Huat Soon I hskoh@kenanga.com.my

Figure 1: Daily Charting – FBMKLCI



Source: Bloomberg, Kenanga Research

Basic Data				Technical Ratings			
52-week High	1,732.27			Resistance 2	1,650	MACD	Bullish
52-week Low	1,548.45	KLCI Vol	65.78	Resistance 1	1,630	RSI (14)	Neutral
Current Level	1,614.18	Bursa Vol	1955.75	Current Level	1,614.18	Stochastic	Overbought
Intraday High	1,615.11	Bursa Val	1499.96	Support 1	1,550		
Intraday Low	1,601.23			Support 2	1,540	Outlook	Neutral

Asian markets mixed ahead of Christmas holiday break

- Asian stocks ended mixed as investors take a step back in anticipation of a quiet Christmas week.
- Back home, the FBMKLCI rose by another 4.00 points (+0.25%) to close at 1,614.18.
- Chart-wise, the index continued to trend higher after closing above all the key SMAs few days ago. Coupled with a bullish signal from MACD, we believe the index could move higher.
- From here, 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 gains with boosts from trade

- All major US stock indexes topped their previous highs at the start of the week, after China said it would cut tariffs on a wide range of goods.
- The Dow gained 96.44 points (+0.34%) to close at 28,551.53, lifted by Boeing after the company ousted its Chief Executive Officer amid the 737 Max crisis.
- Chart-wise, the index continues to trend above all its key SMAs. Coupled with the formation of a bullish MACD crossover, we believe the bullish momentum that started in September may be sustainable.
- 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 – (ARMADA, DSONIC)

ARMADA (Not Rated)

- Yesterday, ARMADA rose 2.5 sen (+5.1%) to close at RM0.515.
- Chart-wise, the stock has been undergoing a period of correction since Nov'19. Nonetheless, the past two days' bullish candlesticks have lifted the stock to trend above all of its key SMAs, signalling a possible reversal.
- Coupled with forming bullish MACD, we believe that the stock may continue trending upwards.
- From here, should bullish momentum sustain, we expect next advancement towards RM0.600 (R1) and RM0.700 (R2) next.
- Conversely, support levels are identified at RM0.405 (S1) and RM0.300 (S2).

DSONIC (Not Rated)

- DSONIC went up by 4.0 sen (+3.17%) to close at RM1.30 yesterday.
- We note that the stock is currently on a long-term uptrend, which see it trending sturdily above all of its key SMAs.
- On the back of stronger-than-average trading volumes and a bullish MACD, the stock could trend higher.
- We expect the share to test its resistance at RM1.50 (R1) and RM1.60 (R2).
- Conversely, support levels can be found at RM1.00 (S1) and RM0.900 (S2).

24 December 2019

Figure 2: Daily Charting – Dow Jones Industrial Average



Figure 3: Daily Charting – Bumi Armada Berhad (Not Rated)



About the stock:

Name	Bumi Armada Berhad
Bursa Code	ARMADA
CAT Code	5210
Shariah Compliant	No
Market Cap	3,026.4
52 Week High/Low	0.55/0.15
3-m Avg. Daily Vol.	86,454,860.00
Free Float (%)	34.98%
Beta vs. KLCI	1.6

Key Support & Resistance Levels

Resistance	RM0.600 (R1) RM0.700 (R2)
Support	RM0.405 (S1) RM0.300 (S2)
Outlook	Bullish

What does the indicator says

MACD	Bullish
RSI	Neutral
Stochastic	Bullish
Trend	Bullish

What should you do

Current Share Price	RM0.515
Technical Target	-
Technical Cut-loss	-

Fundamental Call

Kenanga	RM0.530
Consensus	RM0.540

24 December 2019

Figure 4: Daily Charting – Datasonic Group Berhad (Not Rated)



Source: Bloomberg, Kenanga Research

About the stock:

Name	:	Datasonic Group Berhad
Bursa Code	:	DSNIC
CAT Code	:	5216
Shariah Compliant	:	Yes
Market Cap	:	1,755.0
52 Week High/Low	:	1.33/0.36
3-m Avg. Daily Vol.	:	8,505,414.00
Free Float (%)	:	50.31%
Beta vs. KLCI	:	1.793

Key Support & Resistance Levels

Resistance	:	RM1.50 (R1)	RM1.60 (R2)
Support	:	RM1.00 (S1)	RM0.900 (S2)
Outlook	:	Bullish	

What does the indicator says

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

What should you do

Current Share Price	:	RM1.30
Technical Target	:	-
Technical Cut-loss	:	-

Fundamental Call

Kenanga	:	-
Consensus	:	RM1.21

This section is intentionally left blank

24 December 2019

Unrealised Positions (December 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	1.420		-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		-0.16	-20.78%	BUY	
		Simple Average					16.47%	-11.97%	1.42				-15.14%		









*Tracker does not include Non-Rated positions

Realised Positions (December 2019)

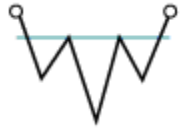
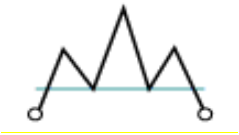
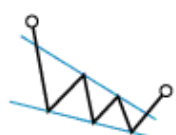


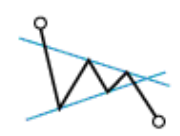
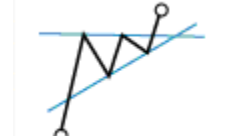
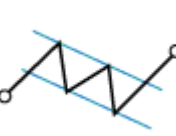


No	CATS Code	Stock Name	Issued Date	Buy Price	Price since Buy Date	Price change since Buy Date (%)	Sell Date	Sell Price	Dividend Received since ID	Gain/Loss (incl. Div.)	Gain/Loss	Rating	Comment/ Action
					(H) (L)	(H) (L)		RM	RM	RM	(%)		
		Simple Average											

24 December 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		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

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 E-mail: research@kenanga.com.my