

09 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	Bullish
52-week Low	1,548.45	KLCI Vol	93.68	Resistance 1	1,630	RSI (14)	Neutral
Current Level	1,589.10	Bursa Vol	3862.04	Current Level	1,589.10	Stochastic	Neutral
Intraday High	1,604.06	Bursa Val	2225.56	Support 1	1,550		
Intraday Low	1,587.43			Support 2	1,540	Outlook	Bullish

Asian markets suffered amid rising geo-political tension

- Asian stock markets reacted negatively to Iran firing missiles at US facilities in Iraq, as this could potentially signal a war.
- Back home, the FBMKLCI lost 21.94 points (-1.36%) to close at 1,589.10.
- Chart-wise, the index is still seen to be holding itself above all its key SMAs. Coupled with a bullish signal from the MACD indicator, 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 rose on hopes for easing Mideast tensions

- Wall Street edged higher on Wednesday after President Trump commented that the U.S. and Iran were hoping to de-escalate tensions in the Middle East.
- The Dow Jones gained 161.41 points (+0.56%) to close at 28,745.09.
- 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.
- Given the persistent upward momentum we raised both our resistance and support to 28,900 (R1) and 29,300 (R2) and 27,800 (S1) and 27,300 (S2) respectively.

Daily technical highlights – (GHLSYS, DSONIC)

GHLSYS (Not Rated)

- GHLSYS gained 8.0 sen (+5.37%) to close at RM1.57 yesterday.
- Chart-wise, the stock has broken above all key SMAs since two days ago, backed by higher-than-expected trading volume.
- Yesterday, the stock continued to close higher with a long bullish candlestick, thus further confirming the change in trend.
- From here on, overhead resistance can be seen at RM1.70 (R1) and RM1.80 (R2).
- Conversely, downside supports can be identified at RM1.35 (S1) and RM1.25 (S2).

DSONIC (Not Rated)

- DSONIC dropped 2.0 sen (-1.33%) to close at RM1.48 yesterday.
- Chart-wise, the stock has been moving upwards since last December.
- Yesterday, the stock continued to trend above all its key SMAs. Coupled with a bullish MACD indicator, we believe that the stock could move higher.
- Should buying momentum persist, the stock is expected to test overhead resistance at RM1.65 (R1) and RM1.75 (R2).
- Conversely, support levels can be identified at RM1.35 (S1) and RM1.25 (S2).

09 January 2020

Figure 2: Daily Charting – Dow Jones Industrial Average

Figure 3: Daily Charting – GHL System Berhad (Not Rated)

About the stock:

Name	GHL System Berhad
Bursa Code	GHLSYS
CAT Code	0021
Shariah Compliant	Yes
Market Cap	1,176.3
52 Week High/Low	1.8/1.24
3-m Avg. Daily Vol.	1,330,008.00
Free Float (%)	40.64%
Beta vs. KLCI	0.8

Key Support & Resistance Levels

Resistance	RM1.70 (R1)	RM1.80 (R2)
Support	RM1.35 (S1)	RM1.25 (S2)
Outlook	Bullish	

What does the indicator says

MACD	Bullish
RSI	Overbought
Stochastic	Overbought
Trend	Bullish

What should you do

Current Share Price	RM1.57
Technical Target	-
Technical Cut-loss	-

Fundamental Call

Kenanga	-
Consensus	RM1.67

09 January 2020

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



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09 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	1.350		-0.39	-22.41%	BUY	
2	0080	STRAITS INTER LOGISTICS BHD	22-Feb-19	0.240	0.300	0.200	25.00%	-16.67%	1.5	0.230		-0.01	-4.17%	BUY	
3	7579	AWC BERHAD	27-Feb-19	0.770	0.865	0.675	12.34%	-12.34%	1.0	0.590		-0.18	-23.38%	BUY	
		Simple Average					16.47%	-11.97%	1.42				-16.65%		





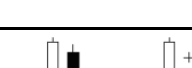

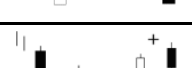
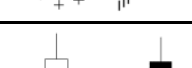
*Tracker does not include Non-Rated positions

Realised Positions (January 2020)

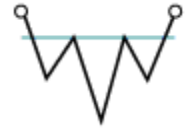

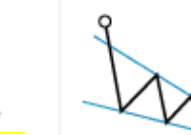




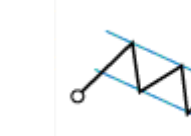

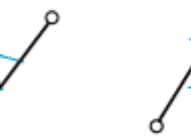
No	CATS Code	Stock Name	Issued Date	Buy Price	Price since Buy Date	Price change since Buy Date (%)	Sell Date	Sell Price	Dividend Received since ID	Gain/Loss (incl. Div.)	Gain/Loss	Rating	Comment/ Action
					(H) (L)	(H) (L)		RM	RM	RM	(%)		
		Simple Average											

09 January 2020

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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