

26 February 2020

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Figure 1: Daily Charting – FBMKLCI



Source: Bloomberg, Kenanga Research

Basic Data				Technical Ratings			
52-week High	1,726.00			Resistance 2	1,550	MACD	Bearish
52-week Low	1,481.46	KLCI Vol	174.20	Resistance 1	1,500	RSI	Neutral
Current Level	1,500.88	Bursa Vol	3125.29	Current Level	1,500.88	Stochastic	Bearish
Intraday High	1,503.30	Bursa Val	2757.40	Support 1	1,470		
Intraday Low	1,481.46			Support 2	1,430	Outlook	Bearish

FBMKLCI rebounded on bargain hunting

- The FBMKLCI rose 10.82 points (+0.73%) to finish at 1,500.88, as investors began to bargain hunt beaten down stocks amidst continued political uncertainty.
- Chart-wise, the FBMKLCI index remained below the 20-day SMA. Coupled with the bearish crossover signal from MACD, we expect the index to remain under pressure ahead.
- Our support levels are at 1,470 (S1) and 1,430 (S2) while its overhead resistance can be identified at 1,500 (R1) and 1,550 (R2).

Wall Street continued to be dragged by intensifying pandemic fears

- U.S. stocks extended their losses yesterday, as coronavirus fears worsened after health authorities warned about the spread of it.
- The Dow plunged 879.44 points (-3.15%) to close at 27,081.36.
- Chart-wise, a long bearish candlestick yesterday has pushed the index to close below its 100-Day SMA. Given the continual decline in RSI and a bearish MACD crossover, the bearish momentum may persist against the backdrop of the current global uncertainty.
- With that, its resistance levels are at 29,400 (R1) and 29,900 (R2), while support levels can be identified at 26,000 (S1) and 25,500 (S2).

Daily technical highlights – (OMESTI, KAB)

OMESTI (Not Rated)

- Yesterday, OMESTI rose 7.0 sen (+11.48) to close at RM0.680, on stronger-than-average trading volume.
- Chart-wise, the stock began rallying since early-Feb this year, which brought the stock to trend above all of its key SMAs.
- Coupled with a bullish MACD crossover, we believe that there may be more upside.
- Should the bullish momentum persists, expect the stock to test key resistance levels at RM0.780 (R1) and RM0.820 (R2).
- Conversely, key support levels can be seen at RM0.565 (S1) and RM0.520 (S2).

KAB (Not Rated)

- KAB gained 4.5sen (+5.23%) to end at RM0.905 yesterday.
- Chart-wise, the stock has formed a shooting star reversal candlestick pattern yesterday, signaling strong selling forces before market close.
- However, confirmation on next day such as formation of a bearish candlestick is required to confirm an uptrend reversal.
- From here on, its key resistance levels can be found at RM 1.00 (R1) and RM1.10 (R2).
- Conversely, downside supports can be identified at RM0.860 (S1) and RM0.790 (S2).

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Figure 2: Daily Charting – Dow Jones Industrial Average

Figure 3: Daily Charting – Omesti Bhd (Not Rated)


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Figure 4: Daily Charting – Kejuruteraan Asastera Bhd (Not Rated)**About the stock:**

Name : Kejuruteraan Asastera Bhd
 Bursa Code : KAB
 CAT Code : 0193
 Shariah Compliant : Yes
 Market Cap : 835.1
 52 Week High/Low : 1.05/0.08
 3-m Avg. Daily Vol. : 2,429,457.00
 Free Float (%) : 21.20%
 Beta vs. KLCI : 0.7

Key Support & Resistance Levels

Resistance : RM1.00 (R1) RM1.10 (R2)
 Support : RM0.860(S1) RM0.790 (S2)
 Outlook : Bullish

What does the indicator says

MACD : Bullish
 RSI : Overbought
 Stochastic : Neutral
 Trend : Short-term bearish

What should you do

Current Share Price : RM0.905
 Technical Target : -
 Technical Cut-loss : -

Fundamental Call

Kenanga : -
 Consensus : RM0.220

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Unrealised Positions (February 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	1.300		-0.44	-25.29%	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	0.520		-0.25	-32.47%	BUY	
		Simple Average					16.47%	-11.97%	1.42				-22.03%		

*Tracker does not include Non-Rated positions

Realised Positions (February 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											

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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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