

23 June 2020

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Source: Bloomberg, Kenanga Research

Basic Data				Technical Ratings			
52-week High	1,694.55			Resistance 2	1,590	MACD	Bearish
52-week Low	1,207.80	KLCI Vol	98.22	Resistance 1	1,530	RSI	Neutral
Current Level	1,511.24	Bursa Vol	6334.29	Current Level	1,511.24	Stochastic	Neutral
Intraday High	1,511.65	Bursa Val	3112.88	Support 1	1,450		
Intraday Low	1,502.64			Support 2	1,410	Outlook	Neutral

Asian markets were mixed as the possibility of a 2nd Wave brings uncertainty.

- Asian stock markets ended mixed as investors continued to stay cautious given the rising coronavirus cases in the U.S. Meanwhile, China has kept its benchmark lending rate unchanged.
- Back home, the FBMKLCI gained 3.98 points (+0.26%) to finish at 1,511.24.
- Following the formation of a “Golden Cross”, the index managed to close the gap that was opened during the mid-March market meltdown, which sees it now trading above all of its key-SMAs.
- On the chart, our support levels are identified at 1,450 (S1) and 1,410 (S2). On the upside, our resistance levels are at 1,530 (R1) and 1,590 (R2).

Wall Street rose on hopes for more stimulus measures

- U.S stocks ended higher yesterday, as sentiment was boosted by bets of more fiscal stimulus from central banks in response to the rising coronavirus infections.
- The Dow rose 153.50 points (+0.59%) to end at 26,024.96.
- Chart-wise, given the bullish signal from MACD indicator, the index is experiencing an intermittent technical rebound from its oversold position.
- On the way up, its major resistance levels are placed at 28,260 (R1) and 29,600 (R2).
- Conversely, support levels can be found at 24,600 (S1) and 23,000 (S2).

Daily technical highlights – (DAIBOICI, MYEG)

DAIBOICI (Not Rated)

- DAIBOICI gained 9.0 sen (+3.8%) to close at RM2.45 yesterday.
- Chart-wise, the stock has been on an uptrend since late March.
- Yesterday’s bullish candlestick continued to close higher, backed by above average trading volume. Coupled with an uptick in RSI and a potential “Bullish MACD Crossover”, we expect the stock to trend higher.
- With that, overhead resistance can be seen at RM2.60 (R1) and RM2.80 (R2).
- Conversely, key support levels can be seen at RM2.20 (S1) and RM2.00 (S2).

MYEG (Not Rated)

- MYEG gained 3.0 sen (+2.0%) to end at RM1.50 yesterday.
- Chart-wise, the stock has continued its uptrend from early Jun after breaking above its 20-Day SMA.
- Yesterday’s candlestick closed higher with the formation of a “Hammer”, indicating strong buying momentum. Should the stock continue finding support at its 20-Day SMA, we believe the uptrend would persist.
- From here on, key resistance levels can be found at RM1.70 (R1) and RM1.80 (R2).
- Conversely, downside supports can be identified at RM1.30 (S1) and RM1.15 (S2).

23 June 2020

Figure 2: Daily Charting – Dow Jones Industrial Average



Source: Bloomberg, Kenanga Research

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



Source: Bloomberg, Kenanga Research

About the stock:

Name	: DAIBOCHI BHD
Bursa Code	: DAIBOICI
CAT Code	: 8125
Shariah Compliant	: Yes
Market Cap	: 805.3
52 Week High/Low	: 2.6/1.45
3-m Avg. Daily Vol.	: 123,286.90
Free Float (%)	: 29.33%
Beta vs. KLCI	: 1.0

Key Support & Resistance Levels

Resistance	: RM2.60 (R1) RM2.80 (R2)
Support	: RM2.20 (S1) RM2.00 (S2)
Outlook	: Bullish

What does the indicator says

MACD	: Bearish
RSI	: Neutral
Stochastic	: Overbought
Trend	: Bullish

What should you do

Current Share Price	: RM2.45
Technical Target	: -
Technical Cut-loss	: -

Fundamental Call

Kenanga	: -
Consensus	: RM2.52

23 June 2020

Figure 4: Daily Charting – MYEG Services Bhd (Not Rated)



Source: Bloomberg, Kenanga Research

About the stock:

Name	:	MY EG SERVICES BHD
Bursa Code	:	MYEG
CAT Code	:	0138
Shariah Compliant	:	Yes
Market Cap	:	5,112.2
52 Week High/Low	:	1.7/0.77
3-m Avg. Daily Vol.	:	50,808,300.00
Free Float (%)	:	50.26%
Beta vs. KLCI	:	1.225

Key Support & Resistance Levels

Resistance	:	RM1.70 (R1) RM1.80 (R2)
Support	:	RM1.30 (S1) RM1.15 (S2)
Outlook	:	Bearish

What does the indicator says

MACD	:	Bullish
RSI	:	Neutral
Stochastic	:	Overbought
Trend	:	Bearish

What should you do

Current Share Price	:	RM1.50
Technical Target	:	-
Technical Cut-loss	:	-

Fundamental Call

Kenanga	:	-
Consensus	:	RM1.58

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23 June 2020

Unrealised Positions (June 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		-0.71	-40.50%	BUY	
2	0080	STRAITS INTER LOGISTICS BHD	22-Feb-19	0.240	0.300	0.200	25.00%	-16.67%	1.5	0.220		-0.06	-21.30%	BUY	
3	7579	AWC BERHAD	27-Feb-19	0.770	0.865	0.675	12.34%	-12.34%	1.0	0.520		-0.31	-35.26%	BUY	
		Simple Average					16.47%	-11.97%	1.42				-36.80%		

*Tracker does not include Non-Rated positions

Realised Positions (June 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		
		Simple Average													

23 June 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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