

01 July 2020

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Daily technical highlights – (LYC, NTPM)

Daily Charting – LYC



About the Stock:

Name : LYC Healthcare Bhd
Bursa Code : LYC
CAT Code : 0075
Market Cap : RM117.9m

52 Week High/Low : 0.54/0.12
3-m Avg. Daily Vol. : 2,935,209
Free Float (%) : 42.9
Beta vs. KLCI : 0.9

Key Support & Resistance Levels

Last Price : RM0.33
Resistance : RM0.39 (R1) RM0.44 (R2)
Stop Loss : RM0.28

LYC Healthcare Bhd (Trading Buy)

- After rising from RM0.12 on 19 March to hit a high of RM0.54 on 1 June, LYC's share price subsequently pulled back by as much as 52% to a low of RM0.26 recently before closing at RM0.33 yesterday.
- On the chart, its RSI indicator – which has been sliding towards the oversold territory in tandem with the share price weakness – saw a tick-up recently, possibly indicating that a short-term trend reversal may be underway.
- A likely rebound could push the stock to reach our resistance target of RM0.39 (R1), before challenging the next resistance level of RM0.44 (R2) thereafter. This represents potential returns of 18% and 33%, respectively.
- Our stop loss threshold is pegged at RM0.28 (or 15% downside risk).
- Meanwhile, pursuant to an ongoing private placement exercise involving the issuance of up to 30% of its share base (representing 107.2m shares), LYC's major shareholder Lim Yin Chow (who currently holds a 18.3% stake) has stated his intention to take up any unsubscribed portion of up to 50.0m shares. This could be seen as a vote of confidence in the Group's fundamentals from its substantial shareholder.

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Daily Charting – NTPM



About the Stock:		Key Support & Resistance Levels	
Name	: NTPM Holdings Bhd	52 Week High/Low	: 0.615/0.295
Bursa Code	: NTPM	3-m Avg. Daily Vol.	: 679,762
CAT Code	: 5066	Free Float (%)	: 29.2
Market Cap	: RM555.9m	Beta vs. KLCI	: 0.86
		Last Price	: RM0.495
		Resistance	: RM0.57 (R1) RM0.615 (R2)
		Stop Loss	: RM0.43

NTPM Holdings Bhd (Trading Buy)

- After the March market meltdown, NTPM's share price has since recovered from a trough of RM0.295 to peak at RM0.615. It saw a subsequent correction and settled at RM0.495 yesterday.
- On the chart, the stock is looking to find support around the current price levels. This could then pave the way for its shares to resume its uptrend soon.
- Riding on the positive momentum, its share price will probably climb to our resistance target of RM0.57 (+15% potential upside), before testing the next resistance line of RM0.615 (+24% potential upside).
- On the downside, the stop loss level is set at RM0.43 (-13% downside risk).
- Fundamentally, NTPM stood out in the current result reporting season with a better earnings performance (unlike the majority of listed companies which were hit by the Covid-19 restrictions). It posted net profit of RM4.1m in the Feb-Apr quarter (versus net loss of RM4.9m in the previous year) on the back revenue of RM201.6m (+11% YoY) as the Group (which is involved in the business of tissue paper and personal care products) remains largely unaffected by the Covid-19 pandemic.

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STOCK CALL MONITOR*









Stock Name	Issue Date (ID)	Rating	Price @ ID RM	Target Price (TP) RM	Stop Loss Price (SL) RM	Upside Potential @ ID %	Downside Risk @ ID %	Risk to Reward Ratio	High Price since ID RM	Low Price since ID RM	Last Price RM	Status^	Date Criteria Fulfilled
ADVANCECON HOLDINGS BHD	30/6/2020	Trading Buy	0.36	0.46	0.29	27.8%	-19.4%	1.43x	0.395	0.365	0.39	Open	N.A.
OMESTI BHD	30/6/2020	Trading Buy	0.51	0.59	0.44	16.8%	-12.9%	1.31x	0.535	0.510	0.52	Open	N.A.

* Tracks our stock recommendations on a one-month rolling basis from issue date. Stock names will drop out from the list after one month from issue date regardless of their status.


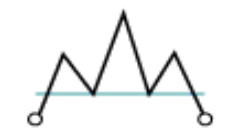
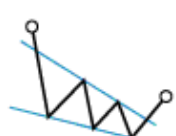

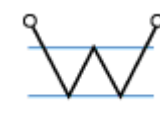
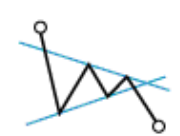
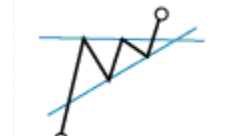
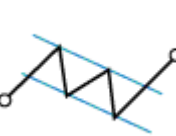


^ Status will be categorised as either:(i) "TP hit" when stock reaches target price first OR (ii) "SL hit" when stock touches stop loss first OR (iii) "Open" when neither TP nor SL has been hit.

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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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Published and printed by:

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