

07 August 2020

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## Daily technical highlights – (MASTER, DAIBOICI)

### Daily Charting – MASTER (Trading Buy)



#### About the Stock:

**Name** : MASTER-PACK GROUP BHD  
**Bursa Code** : MASTER  
**CAT Code** : 7029  
**Market Cap** : 106.0m

**52 Week High/Low** : 3.20/0.61  
**3-m Avg. Daily Vol.** : 2,469,921  
**Free Float (%)** : 56.2  
**Beta vs. KLCI** : 1.8

#### Key Support & Resistance Levels

**Last Price** : RM1.94  
**Resistance** : RM2.25 (R1) RM2.60 (R2)  
**Stop Loss** : RM1.70

#### Master-Pack Group Bhd (Trading Buy)

- MASTER - a manufacturer of corrugated cartons which are fully recyclable - is set to capitalize on new business opportunities arising from the current pandemic, given the higher adoption rate in online shopping which translates to higher demand, especially from its customers in the Food & Beverage and Medical sectors (which supply essential items).
- Chart-wise, the stock has continued to close higher after plotting higher lows in the past 5 months to form an ascending triangle. With that, we believe the stock could be heading for a breakout.
- Our overhead resistance levels are pegged at RM2.25 (R1) and RM2.60 (R2), which represents potential upsides of +16% and +34%, respectively.
- Meanwhile, our stop loss level is set at RM1.70 (12% downside risk).
- Fundamentally, the group has experienced strong growth with its net profit growing by 5x to RM15.7m in FY19 over a period of 5 years while its balance sheet is strong, backed by net cash position of RM17.6m (or 32 sen per share) as of end-1QFY20. The stock is currently trading at an undemanding historical PER of 6.7x.

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## Daily Charting – DAIBOICI (Trading Buy)



About the Stock:		Key Support & Resistance Levels	
<b>Name</b>	: DAIBOCHI BHD	<b>52 Week High/Low</b>	: 2.99/1.45
<b>Bursa Code</b>	: DAIBOCI	<b>3-m Avg. Daily Vol.</b>	: 161,096.7
<b>CAT Code</b>	: 8125	<b>Free Float (%)</b>	: 29.3
<b>Market Cap</b>	: 916.6m	<b>Beta vs. KLCI</b>	: 0.9
		<b>Last Price</b>	: RM2.80
		<b>Resistance</b>	: RM3.30 (R1) RM3.50 (R2)
		<b>Stop Loss</b>	: RM2.40

## Daiboichi Bhd (Trading Buy)

- Post the mandatory general offer (MGO) in April last year, DAIBOCI is now a packaging company that is 62%-owned by SCIENTX.
- The company – which focuses on flexible packaging - is expected to benefit from the pandemic given the rising demand for ready-made food and beverage products.
- Moreover, the group has further invested a capex of RM60m to enhance its capabilities and services to its customers with the purchase of 13 new lines in Malacca, which is expected to improve its production capacity by c.20% (and translate to better sales).
- Technically speaking, its 20-day SMA line is expected to provide a strong support as the stock has rebounded after 5 consecutive bearish candles in the period of late-July to early August this year. Given that all key SMAs continue to display a healthy upward bias, we thus believe the price uptrend could persist.
- Our overhead resistance levels are plotted using a Fibonacci projection, with R1 set at RM3.30 and R2 at RM3.50. This translates to upside potentials of 18% and 25%, respectively.
- We have placed our stop loss level at RM2.40 (representing a downside risk of 14%).
- Fundamentally, consensus is projecting FY20E/FY21E net incomes of RM48.5m (+280.3% YoY) and RM53.8m (+10.9% YoY). This translates to forward PERs of 20x and 19x, respectively.

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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	Highest Price since ID RM	Lowest Price since ID RM	Last Price RM	Status^	Date Status Fulfilled
MMS VENTURES BHD	7/7/2020	Trading Buy	0.65	0.77	0.55	19%	-15%	1.32x	0.83	0.65	0.79	TP Hit	4/8/2020
TECHFAST HOLDINGS BHD	7/7/2020	Trading Buy	0.39	0.47	0.33	21%	-15%	1.33x	0.43	0.36	0.40	Open	
KNM GROUP BHD	8/7/2020	Trading Buy	0.22	0.27	0.18	26%	-16%	1.57x	0.25	0.21	0.23	Open	
ASTRO MALAYSIA HOLDINGS BHD	8/7/2020	Trading Buy	0.82	0.88	0.76	8%	-7%	1.18x	0.86	0.75	0.76	SL Hit	4/8/2020
TOMEI CONSOLIDATED BHD	9/7/2020	Trading Buy	0.45	0.52	0.40	16%	-11%	1.40x	1.53	0.43	1.53	TP Hit	27/7/2020
POH KONG HOLDINGS BHD	9/7/2020	Trading Buy	0.49	0.55	0.43	13%	-11%	1.18x	1.39	0.47	1.39	TP Hit	27/7/2020
ARB BHD	10/7/2020	Trading Buy	0.32	0.39	0.27	22%	-17%	1.27x	0.33	0.29	0.32	Open	
SERBA DINAMIK HOLDINGS BHD	10/7/2020	Trading Buy	1.71	1.90	1.55	11%	-9%	1.19x	1.81	1.60	1.71	Open	
HLT GLOBAL BHD	14/7/2020	Trading Buy	0.66	0.79	0.53	21%	-19%	1.08x	3.18	0.66	3.18	TP Hit	14/7/2020
ES CERAMICS TECHNOLOGY BHD	14/7/2020	Trading Buy	0.56	0.67	0.45	21%	-19%	1.10x	1.82	0.50	1.82	TP Hit	27/7/2020
BERJAYA SPORTS TOTO BHD	15/7/2020	Trading Buy	2.17	2.30	2.11	6%	-3%	2.17x	2.19	2.07	2.09	SL Hit	30/7/2020
MAGNUM BHD	15/7/2020	Trading Buy	2.20	2.34	2.10	6%	-5%	1.40x	2.25	2.06	2.09	SL Hit	3/8/2020
CYPARK RESOURCES BHD	16/7/2020	Trading Buy	1.01	1.15	0.92	14%	-9%	1.56x	1.02	0.91	0.98	SL Hit	3/8/2020
SOLARVEST HOLDINGS BHD	16/7/2020	Trading Buy	1.41	1.54	1.29	9%	-9%	1.08x	1.42	1.23	1.34	SL Hit	24/7/2020
MGB BHD	17/7/2020	Trading Buy	0.47	0.54	0.41	15%	-13%	1.17x	0.49	0.45	0.48	Open	
KUMPULAN POWERNET BHD	17/7/2020	Trading Buy	2.58	2.90	2.30	12%	-11%	1.14x	2.91	2.49	2.70	TP Hit	23/7/2020
DRB-HICOM BHD	21/7/2020	Trading Buy	1.85	2.10	1.65	14%	-11%	1.25x	2.03	1.82	2.00	Open	
UEM EDGENTA BHD	21/7/2020	Trading Buy	2.04	2.30	1.85	13%	-9%	1.37x	2.48	2.04	2.22	TP Hit	22/7/2020

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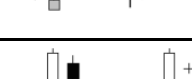
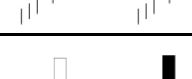


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GREEN PACKET BHD	22/7/2020	Trading Buy	0.52	0.61	0.46	17%	-12%	1.50x	0.59	0.51	0.55	Open	
INSAS BHD	22/7/2020	Trading Buy	0.76	0.86	0.67	13%	-12%	1.11x	0.91	0.74	0.91	TP Hit	4/8/2020
7-ELEVEN MALAYSIA HOLDINGS B	23/7/2020	Trading Buy	1.38	1.57	1.25	14%	-9%	1.46x	1.43	1.28	1.36	Open	
FEDERAL INTERNATIONAL HOLDIN	23/7/2020	Trading Buy	0.45	0.52	0.39	16%	-13%	1.17x	0.47	0.38	0.40	SL Hit	3/8/2020
GUAN CHONG BHD	24/7/2020	Trading Buy	2.81	3.05	2.60	9%	-7%	1.14x	3.49	2.71	3.43	TP Hit	27/7/2020
SARAWAK CONSOLIDATED INDUSTRIES	24/7/2020	Trading Buy	2.95	3.30	2.65	12%	-10%	1.17x	2.98	2.59	2.86	SL Hit	4/8/2020
MUI PROPERTIES BERHAD	28/7/2020	Trading Buy	0.20	0.24	0.16	23%	-18%	1.29x	0.50	0.20	0.42	TP Hit	28/7/2020
PESTECH INTERNATIONAL BHD	28/7/2020	Trading Buy	0.85	0.98	0.76	15%	-11%	1.44x	0.90	0.82	0.84	Open	
MALAYSIA SMELTING CORP BHD	29/7/2020	Trading Buy	0.72	0.82	0.65	14%	-10%	1.43x	0.74	0.68	0.71	Open	
MUDA HOLDINGS BERHAD	29/7/2020	Trading Buy	1.72	1.95	1.53	13%	-11%	1.21x	1.78	1.64	1.76	Open	
MMC CORP BHD	30/7/2020	Trading Buy	0.73	0.85	0.67	16%	-8%	2.00x	0.74	0.66	0.69	SL Hit	4/8/2020
YTL CORP BHD	30/7/2020	Trading Buy	0.78	0.89	0.70	14%	-10%	1.38x	0.80	0.73	0.75	Open	
NAIM HOLDINGS BERHAD	4/8/2020	Trading Buy	0.85	0.97	0.76	14%	-11%	1.33x	0.89	0.83	0.85	Open	
OCK GROUP BHD	4/8/2020	Trading Buy	0.52	0.60	0.46	17%	-11%	1.55x	0.52	0.50	0.51	Open	
HLT GLOBAL BHD	5/8/2020	Trading Sell	2.45	1.78	3.05	27%	-24%	1.12x	3.18	2.25	3.18	SL Hit	6/8/2020
ES CERAMICS TECHNOLOGY BHD	5/8/2020	Trading Sell	1.40	1.07	1.75	24%	-25%	0.94x	1.82	1.24	1.82	SL Hit	6/8/2020
KELINGTON GROUP BHD	6/8/2020	Trading Buy	1.12	1.28	0.98	14%	-13%	1.14x	1.15	1.11	1.11	Open	
GENETEC TECHNOLOGY BHD	6/8/2020	Trading Buy	1.52	1.71	1.35	13%	-11%	1.12x	1.54	1.50	1.52	Open	

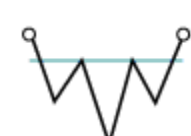




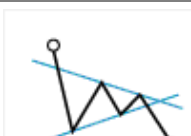




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## Technical Terms:

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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