

24 February 2021

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Daily technical highlights – (DSONIC, GHLSYS)

Daily Charting – DSONIC (Trading Buy)



About the Stock:			Key Support & Resistance Levels	
Name	Datasonic Group Bhd	52 Week High/Low	: 0.835/0.27	
Bursa Code	DSO	3-m Avg. Daily Vol.	: 18,411,039	
CAT Code	5216	Free Float (%)	: 48.4	
Market Cap	RM1,377.6m	Beta vs. KLCI	: 1.2	
		Last Price	: RM0.525	
		Resistance	: RM0.62 (R1) RM0.70 (R2)	
		Stop Loss	: RM0.45	

Datasonic Group Bhd (Trading Buy)

- DSONIC is a provider of security-based Information and Communications Technology (ICT) solutions, supplying customised smart cards and machine-readable passports (including MyKad and Malaysian passports).
- Given its business expertise and experience, DSONIC is in a position to participate in Malaysia's master plan to transform into a digital economy by 2030.
- Meanwhile, after getting hit by the Covid-19 impact in the first quarter, the Group is on a gradual earnings recovery with bottomline coming in at RM7.5m (+58% QoQ) in the second quarter ended Sep 2020, taking its first half net profit to RM12.3m (-56% YoY).
- On the chart, after swinging sideways since early September last year, the stock could break out from its consolidation pattern following the recent share price crossover of the 50-day SMA line.
- And with the momentum indicator rising after cutting above the zero level, DSONIC shares will probably find renewed strength to climb towards our resistance thresholds of RM0.62 (R1; 18% upside potential) and RM0.70 (R2; 33% upside potential).
- We have placed our stop loss price at RM0.45 (or 14% downside risk).

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Daily Charting – GHLSYS (Trading Buy)



About the Stock:			Key Support & Resistance Levels	
Name	: GHLSYS Bhd	52 Week High/Low	: 2.17/0.69	Last Price : RM1.80
Bursa Code	: GHLSYS	3-m Avg. Daily Vol.	: 1,459,531	Resistance : RM2.04 (R1) RM2.17 (R2)
CAT Code	: 0021	Free Float (%)	: 24.0	Stop Loss : RM1.58
Market Cap	: RM2,054.7m	Beta vs. KLCI	: 0.8	

GHL Systems Bhd (Trading Buy)

- GHLSYS is a leading ASEAN payment services provider with key operations in Malaysia, Philippines, Thailand, Indonesia, Cambodia and Australia. The Group provides world-class payment services comprising physical, internet and mobile payments, managing more than 397,500 footprint of payment touchpoints across its ASEAN markets that enable credit card, debit card, e-wallets, contactless payment, loyalty, prepaid credit top up and bill collection payment services.
- The Group's profit has been growing from year to year between FY15 and FY19, up from RM10.3m to RM28.7m over the four years, which represents a CAGR of 29.1%.
- However, its earnings momentum was disrupted by the Covid-19 outbreak when the nine-month result ended Sep 2020 fell 64% YoY to RM7.5m. Positive though was the strong recovery posted in 3QFY20, which saw its bottomline coming in at RM12.1m (versus 2QFY20's net loss of RM5.9m and 3QFY19's net profit of RM7.3m).
- Additionally, the Group's balance sheet is healthy with net cash holdings & other short-term investments standing at RM172.2m (or 15.1 sen per share) as of end-Sep 2020.
- On the chart, GHLSYS shares may attempt to climb out of an existing rectangle pattern. With the price uptrend supported by its 100-day SMA line and the recent crossing of the DMI Plus over the DMI Minus indicating an upward bias, a probable breakaway could push the stock to test our resistance targets of RM2.04 (R1; 13% upside potential) and RM2.17 (R2; 21% upside potential).
- Our stop loss price is set at RM1.58 (or 12% downside risk from the last traded price of RM1.80).

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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
MAH SING GROUP BHD	26/1/2021	Trading Buy	0.83	0.98	0.75	18%	-10%	1.88x	0.85	0.77	0.81	Open	
COMFORT GLOVE BHD	26/1/2021	Trading Buy	3.30	3.90	2.75	18%	-17%	1.09x	3.37	2.30	2.34	SL Hit	15/2/2021
ENGTEX GROUP BHD	27/1/2021	Trading Buy	0.57	0.65	0.51	14%	-11%	1.33x	0.70	0.54	0.66	TP Hit	15/2/2021
MALAYSIA STEEL WORKS KL BHD	27/1/2021	Trading Buy	0.55	0.61	0.50	11%	-9%	1.20x	0.65	0.49	0.59	SL Hit	2/2/2021
LAGENDA PROPERTIES BHD	29/1/2021	Trading Buy	1.51	1.68	1.35	11%	-11%	1.06x	1.80	1.49	1.66	TP Hit	5/2/2021
KPOWER BHD	29/1/2021	Trading Buy	2.69	3.00	2.40	12%	-11%	1.07x	2.67	2.00	2.19	SL Hit	2/2/2021
TALIWORKS CORP BHD	3/2/2021	Trading Buy	0.81	0.88	0.75	9%	-7%	1.17x	0.85	0.81	0.84	Open	
YTL CORP BHD	3/2/2021	Trading Buy	0.65	0.72	0.59	11%	-9%	1.17x	0.69	0.65	0.68	Open	
AMMB HOLDINGS BHD	4/2/2021	Trading Buy	3.24	3.62	3.00	12%	-7%	1.58x	3.44	3.20	3.21	Open	
ECONPILE HOLDINGS BHD	4/2/2021	Trading Buy	0.41	0.48	0.36	19%	-11%	1.67x	0.48	0.40	0.45	TP Hit	22/2/2021
ANCOM BHD	5/2/2021	Trading Buy	1.07	1.20	0.95	12%	-11%	1.08x	1.33	1.06	1.33	TP Hit	11/2/2021
SPRING ART HOLDINGS BHD	5/2/2021	Trading Buy	0.39	0.43	0.35	12%	-10%	1.13x	0.49	0.34	0.36	TP Hit	8/2/2021
ARB BHD	9/2/2021	Trading Buy	0.28	0.32	0.24	14%	-14%	1.00x	0.46	0.28	0.42	TP Hit	15/2/2021
SOLUTION GROUP BHD	9/2/2021	Trading Buy	1.31	1.50	1.16	15%	-11%	1.27x	1.50	1.22	1.45	TP Hit	23/2/2021
COASTAL CONTRACTS BHD	10/2/2021	Trading Buy	0.73	0.81	0.64	12%	-12%	1.00x	0.87	0.71	0.84	TP Hit	18/2/2021
JOHORE TIN BHD	10/2/2021	Trading Buy	1.89	2.16	1.66	14%	-12%	1.17x	1.94	1.84	1.90	Open	
HAP SENG PLANTATIONS HLDGS	11/2/2021	Trading Buy	1.75	1.93	1.60	10%	-9%	1.20x	1.88	1.76	1.86	Open	
MALAYSIA BUILDING SOCIETY	11/2/2021	Trading Buy	0.65	0.72	0.59	11%	-10%	1.08x	0.68	0.64	0.66	Open	
NOTION VTEC BHD	16/2/2021	Trading Buy	0.95	1.11	0.81	17%	-15%	1.14x	1.03	0.89	0.90	Open	
SALUTICA BHD	16/2/2021	Trading Buy	0.67	0.78	0.57	16%	-15%	1.10x	0.70	0.61	0.62	Open	
EXCEL FORCE MSC BHD	17/2/2021	Trading Buy	0.47	0.55	0.40	18%	-14%	1.31x	0.50	0.46	0.47	Open	
N2N CONNECT BHD	17/2/2021	Trading Buy	0.83	0.95	0.73	14%	-12%	1.20x	0.83	0.77	0.79	Open	
CCK CONSOLIDATED HOLDINGS BH	18/2/2021	Trading Buy	0.60	0.67	0.53	12%	-12%	1.00x	0.62	0.58	0.59	Open	
GREEN PACKET BHD	18/2/2021	Trading Buy	0.40	0.46	0.35	16%	-11%	1.44x	0.47	0.40	0.41	TP Hit	19/2/2021
JHM CONSOLIDATION BHD	19/2/2021	Trading Buy	2.42	2.70	2.14	12%	-12%	1.00x	2.43	2.27	2.33	Open	
SARAWAK PLANTATION BHD	19/2/2021	Trading Buy	2.14	2.38	1.95	11%	-9%	1.26x	2.16	2.05	2.08	Open	
UCHI TECHNOLOGIES BHD	23/2/2021	Trading Buy	3.08	3.33	2.83	8%	-8%	1.00x	3.12	3.02	3.09	Open	
MALYSIAN BULK CARRIERS BHD	23/2/2021	Trading Buy	0.51	0.60	0.43	18%	-16%	1.13x	0.53	0.51	0.53	Open	

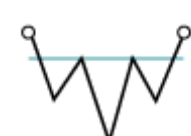



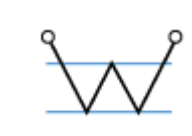

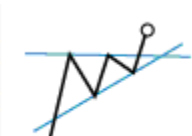
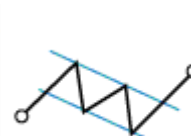


* Tracks our stock recommendations on a one-month rolling basis from issue date. Stock names will drop out from the list after one month from issue date regardless of their status.

[^] 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.

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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