

16 June 2021

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Daily technical highlights – (CYPARK, MYEG)

Daily Charting – CYPARK (Trading Buy)



About the Stock:		Key Support & Resistance Levels	
<b>Name</b>	: Cypark Resources Bhd	<b>52 Week High/Low</b>	: 1.67/0.79
<b>Bursa Code</b>	: CYPARK	<b>3-m Avg. Daily Vol.</b>	: 2,022,177
<b>CAT Code</b>	: 5184	<b>Free Float (%)</b>	: 54.3
<b>Market Cap</b>	: RM537.1m	<b>Beta vs. KLCI</b>	: 1.2
		<b>Last Price</b>	: RM1.11
		<b>Resistance</b>	: RM1.24 (R1) RM1.33 (R2)
		<b>Stop Loss</b>	: RM1.00

Cypark Resources Bhd (Trading Buy)

- After tumbling from a peak of RM1.67 at the beginning of March this year to close at RM1.11 yesterday, CYPARK's share price is poised to stage a technical rebound from an oversold position.
- The stock is anticipated to shift higher ahead according to our trading system, which is built on RSI indicator to trigger buy signals when the RSI value crosses above the oversold level. Using an exit rule of either an 8% profit or 8% stop loss (whichever comes first) from the trigger levels, the back-tested results showed that out of the 35 alerts that have emerged since 2015, the trading system recorded 26 profitable trades (with ensuing share price gains of 8% or more), which represents an accuracy rate of 74%.
- With the recent appearance of 2 buy signals (in end-May and early June), the trading system is currently indicating that CYPARK shares could advance to at least RM1.21 – RM1.25 going forward. We have set our resistance thresholds at RM1.24 (R1; 12% upside potential) and RM1.33 (R2; 20% upside potential).
- Our stop loss level is pegged at RM1.00 (or 10% downside risk).
- From a fundamental valuation perspective, after posting net profit of RM15.0m (+3% YoY) in 1QFY21, CYPARK (which is involved in the integrated renewable energy, green technology, environmental engineering and construction engineering businesses) is forecasted to make net earnings of RM88.2m for FY October 2021 and RM105.4m for FY October 2022 based on consensus estimates. This translates to undemanding forward PERs of 6.1x this year and 5.1x next year, respectively.

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Daily Charting – MYEG (Trading Buy)



About the Stock:		Key Support & Resistance Levels	
<b>Name</b>	: MY E.G. Services Bhd	<b>52 Week High/Low</b>	: 2.27/1.22
<b>Bursa Code</b>	: MYEG	<b>3-m Avg. Daily Vol.</b>	: 10,193,961
<b>CAT Code</b>	: 0138	<b>Free Float (%)</b>	: 44.2
<b>Market Cap</b>	: RM6,928.6m	<b>Beta vs. KLCI</b>	: 0.9
		<b>Last Price</b>	: RM1.92
		<b>Resistance</b>	: RM2.15 (R1) RM2.25 (R2)
		<b>Stop Loss</b>	: RM1.75

MY E.G. Services Bhd (Trading Buy)

- MYEG shares could break away from an ongoing consolidation pattern after moving sideways since mid-March this year.
- Our trading system – which is designed to generate buy signals when the momentum indicator is above zero and increasing – is anticipating an upward movement in the share price ahead. Using an exit rule of either a 7% profit or 6% stop loss (whichever comes first) from the trigger levels, the back-tested results showed that the trading system has correctly predicted 122 out of the 178 buy signals that were triggered since 2015 as profitable trades, which translates to a hit rate of 69%.
- Based on the 5 buy alerts that have appeared since April this year, the trading system is projecting that MYEG’s share price could climb to a range of RM2.03 – RM2.15 or higher going forward. On the chart, our resistance thresholds are set at RM2.15 (R1; 12% upside potential) and RM2.25 (R2; 17% upside potential).
- We have placed our stop loss price at RM1.75 (or 9% downside risk from the last traded price of RM1.92).
- On the fundamental front, after posting net profit of RM76.3m (+30% YoY) in 1QFY21, consensus is expecting MYEG – a provider of electronic government (e-government) services with a presence in Malaysia, Philippines, Bangladesh and Indonesia – to make net earnings of RM323.4m in FY December 2021 and RM349.0m in FY December 2022. This translates to forward PERs of 21.4x this year and 19.9x next year, respectively.
- The group remains financially strong with net cash holdings of RM200.5m (or 5.6 sen per share) as of end-March this year.



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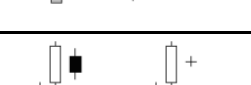
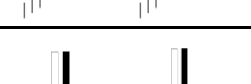


## STOCK CALL MONITOR\*

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 <sup>^</sup>	Date Status Fulfilled
YTL CORP BHD	18/5/2021	Trading Buy	0.68	0.77	0.61	13%	-10%	1.29x	0.72	0.67	0.68	Open	
YONG TAI BHD	18/5/2021	Trading Buy	0.26	0.30	0.21	18%	-18%	1.00x	0.32	0.23	0.27	TP Hit	4/6/2021
PESTECH INTERNATIONAL BHD	19/5/2021	Trading Buy	1.10	1.26	0.98	15%	-11%	1.33x	1.11	0.96	1.02	SL Hit	21/5/2021
GUAN CHONG BHD	19/5/2021	Trading Buy	2.80	3.18	2.52	14%	-10%	1.36x	2.90	2.62	2.90	Open	
LAGENDA PROPERTIES BHD	20/5/2021	Trading Buy	1.24	1.48	1.06	19%	-15%	1.33x	1.41	1.15	1.31	Open	
DRB-HICOM BHD	20/5/2021	Trading Buy	1.79	2.09	1.56	17%	-13%	1.30x	1.94	1.74	1.77	Open	
MI TECHNOVATION BHD	21/5/2021	Trading Buy	3.12	3.59	2.71	15%	-13%	1.15x	3.48	2.99	3.41	Open	
PENTAMASTER CORP BHD	21/5/2021	Trading Buy	4.60	5.19	4.03	13%	-12%	1.04x	4.92	4.44	4.69	Open	
GLOBETRONICS TECHNOLOGY BHD	25/5/2021	Trading Buy	2.08	2.46	1.80	18%	-13%	1.36x	2.23	2.01	2.18	Open	
DIALOG GROUP BHD	25/5/2021	Trading Buy	2.87	3.20	2.62	12%	-9%	1.34x	3.02	2.86	3.02	Open	
KELINGTON GROUP BHD	27/5/2021	Trading Buy	2.01	2.29	1.76	14%	-12%	1.12x	2.20	1.89	2.20	Open	
TOMYPAK HOLDINGS	27/5/2021	Trading Buy	0.56	0.63	0.50	13%	-11%	1.17x	0.59	0.53	0.54	Open	
ASTRO MALAYSIA HOLDINGS BHD	28/5/2021	Trading Buy	1.10	1.26	0.97	15%	-12%	1.23x	1.21	1.03	1.19	Open	
REVENUE GROUP BHD	28/5/2021	Trading Buy	1.92	2.14	1.72	11%	-10%	1.10x	2.10	1.82	2.07	Open	
MNRB HOLDINGS BHD	1/6/2021	Trading Buy	1.23	1.45	1.04	18%	-15%	1.16x	1.45	1.21	1.43	TP Hit	15/6/2021
SKP RESOURCES BHD	1/6/2021	Trading Buy	1.53	1.70	1.38	11%	-10%	1.13x	1.73	1.47	1.69	TP Hit	8/6/2021
SOUTHERN CABLE GROUP BHD	2/6/2021	Trading Buy	0.46	0.52	0.41	13%	-11%	1.20x	0.49	0.46	0.49	Open	
HEITECH PADU BHD	2/6/2021	Trading Buy	1.23	1.41	1.09	15%	-11%	1.29x	1.58	1.25	1.40	TP Hit	2/6/2021
ADVANCECON HOLDINGS BHD	3/6/2021	Trading Buy	0.37	0.45	0.33	20%	-12%	1.67x	0.38	0.36	0.38	Open	
THREE-A RESOURCES BHD	3/6/2021	Trading Buy	0.89	1.01	0.79	13%	-11%	1.20x	0.93	0.85	0.90	Open	
FRONTKEN CORP BHD	4/6/2021	Trading Buy	3.10	3.60	2.63	16%	-15%	1.06x	3.08	2.84	3.01	Open	
PRESTAR RESOURCES BHD	4/6/2021	Trading Buy	1.18	1.37	1.00	16%	-15%	1.06x	1.30	1.12	1.25	Open	
KRONOLOGI ASIA BHD	9/6/2021	Trading Buy	0.67	0.77	0.57	16%	-14%	1.11x	0.71	0.66	0.69	Open	
MALAYSIA BUILDING SOCIETY	9/6/2021	Trading Buy	0.65	0.73	0.58	12%	-11%	1.14x	0.66	0.63	0.63	Open	
K-ONE TECHNOLOGY BHD	10/6/2021	Trading Buy	0.30	0.36	0.25	20%	-17%	1.20x	0.33	0.30	0.31	Open	
GAMUDA BHD	10/6/2021	Trading Buy	3.11	3.45	2.86	11%	-8%	1.36x	3.25	3.11	3.20	Open	
KERJAYA PROSPEK GROUP BHD	11/6/2021	Trading Buy	1.23	1.38	1.10	12%	-11%	1.15x	1.24	1.21	1.23	Open	
TECHBOND GROUP BHD	11/6/2021	Trading Buy	0.50	0.56	0.45	12%	-10%	1.20x	0.53	0.50	0.53	Open	
JHM CONSOLIDATION BHD	15/6/2021	Trading Buy	1.70	1.92	1.49	13%	-12%	1.05x	1.75	1.69	1.74	Open	
POS MALAYSIA BERHAD	15/6/2021	Trading Buy	0.84	0.94	0.75	12%	-11%	1.11x	0.87	0.84	0.86	Open	






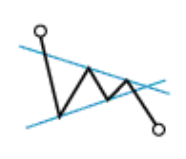

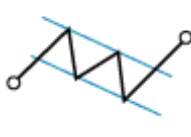


\* Tracks our stock recommendations on a one-month rolling basis from issue date. Stock names will drop out from the list after one month from issue date regardless of their status.

<sup>^</sup> 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
<b>Doji</b> <b>Dragonfly Doji</b> (Bullish) <b>Gravestone Doji</b> (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.
<b>Engulfing Pattern</b>		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.
<b>Hammer</b> (Bullish) <b>Shooting Star</b> (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.
<b>Inverted Hammer</b> (Bullish) <b>Hanging Man</b> (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.
<b>Harami</b> <b>Harami Cross</b>		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.
<b>Marubozu</b>		A Marubozu candlestick has no shadow extending from the body at either the open, the close or at both.
<b>Morning Doji Star</b> (Bullish) <b>Evening Doji Star</b> (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.
<b>Spinning Top</b>		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	<b>Inverted Head &amp; Shoulders</b> (Bullish)	<b>Head &amp; Shoulders</b> (Bearish)	<b>Wedge Reversal</b> (Bullish/ Bearish)	<b>Double Top</b> (Bearish)	<b>Double Bottom</b> (Bullish)
					
Continuation Patterns	<b>Symmetrical Triangle</b> (Bullish/ Bearish)	<b>Ascending Triangle</b> (Bullish)	<b>Channels</b> (Bullish/ Bearish)	<b>Flags</b> (Bullish/ Bearish)	<b>Pennant</b> (Bullish/ Bearish)
					

Source: Various

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