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While selling pressure could persist on the Malaysian bourse, the presence of bargain hunters may cushion the slide ahead. Last week, the key FBMKLCI was locked inside a tight trading range, oscillating between 1,572 and 1,592 before finishing at 1,575 on Friday, marginally down by 3.3 points or 0.2% week-on-week. In the US, the DJIA slipped to close at 34,480 for a weekly loss of 276.8 points or 0.8%.

Daily average transaction on the home front narrowed to 5.7b shares in volume and RM3.3b in value during the week, versus the preceding week's daily average of 7.4b shares worth RM4.0b. As local retail investors continued their buying spree (logging net weekly inflows of RM192m), foreign investors remained net sellers (amounted to RM194m) while domestic institutions saw broadly mixed flows (which resulted in net buying value of RM2m only).

For the week ahead, of interest will be the outcome of the US Federal Open Market Committee (FOMC) meeting scheduled for Tuesday and Wednesday, amid concerns that rising inflationary pressure may prompt the policy makers to contemplate hiking interest rates sooner than anticipated. Back home, investors will be eagerly watching out for announcements due to be made sometime this week by Serba Dinamik in relation to the release of its January – March quarterly results and the appointment of an independent accounting firm to undertake a special independent review on some matters pertaining to the statutory audit that have been raised by its external auditor recently.

And towards the end of the week, there may be portfolio rebalancing activities by index-linked funds as the June semi-annual review of the FBM Index Series will take effect after market close this Friday. Post the review, MR DIY Group will be replacing Supermax Corporation as an index constituent of the widely-followed FBMKLCI.

From a technical standpoint, the benchmark index remains vulnerable to further retracements after cutting below the 25-day SMA line with the momentum indicator simultaneously reversing from the zero-line. On the other hand, the emergence of bargain hunters in search of buying opportunities may limit the market weakness. Hence, we reckon the FBMKLCI will probably continue to swing – with a slight negative bias – between our first support and resistance thresholds of 1,550 (S1) and 1,600 (R1) for the time being.

On Wall Street, the DJIA could show resilience and extend its upward trajectory ahead. Our key support and resistance levels are maintained at 34,100 (S1) / 33,200 (S2) and 35,400 (R1) / 36,800 (R2), respectively.



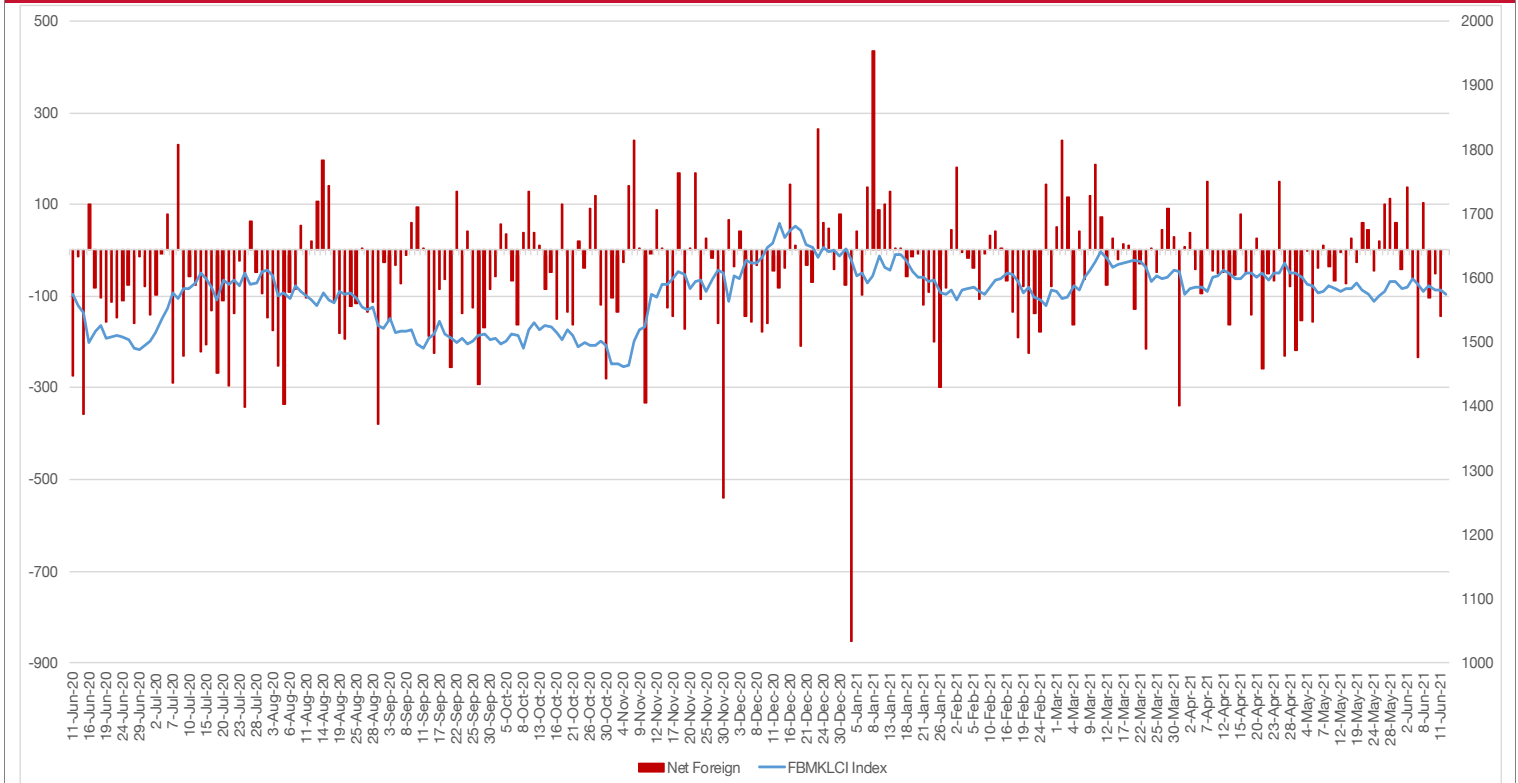
Source: Kenanga Research

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### Net Foreign Trade Position vs FBMKLCI



Foreign investors remained net sellers with net outflows of RM193.9m last week compared to cumulative net outflows of RM135.6m in the prior week.

Source: Kenanga Research

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## STOCK CALL MONITOR\*

Stock Name	Issue Date (ID)	Rating	Price @ ID	Target Price (TP)	Stop Loss Price (SL)	Upside Potential @ ID	Downside Risk @ ID	Risk to Reward Ratio	Highest Price since ID	Lowest Price since ID	Last Price	Status <sup>^</sup>	Date Status Fulfilled
			RM	RM	RM	%	%	RM	RM	RM			
YTL CORP BHD	18/05/2021	Trading Buy	0.68	0.77	0.61	13%	-10%	1.29x	0.72	0.67	0.68	Open	
YONG TAI BHD	18/05/2021	Trading Buy	0.26	0.30	0.21	18%	-18%	1.00x	0.32	0.23	0.26	TP Hit	04/06/2021
PESTECH INTERNATIONAL BHD	19/05/2021	Trading Buy	1.10	1.26	0.98	15%	-11%	1.33x	1.11	0.96	1.02	SL Hit	21/05/2021
GUAN CHONG BHD	19/05/2021	Trading Buy	2.81	3.18	2.52	13%	-10%	1.28x	2.90	2.62	2.85	Open	
LAGENDA PROPERTIES BHD	20/05/2021	Trading Buy	1.24	1.48	1.06	19%	-15%	1.33x	1.41	1.15	1.30	Open	
DRB-HICOM BHD	20/05/2021	Trading Buy	1.79	2.09	1.56	17%	-13%	1.30x	1.94	1.74	1.81	Open	
MI TECHNOVATION BHD	21/05/2021	Trading Buy	3.12	3.59	2.71	15%	-13%	1.15x	3.37	2.99	3.10	Open	
PENTAMASTER CORP BHD	21/05/2021	Trading Buy	4.60	5.19	4.03	13%	-12%	1.04x	4.92	4.44	4.59	Open	
GLOBETRONICS TECHNOLOGY BHD	25/05/2021	Trading Buy	2.08	2.46	1.80	18%	-13%	1.36x	2.23	2.01	2.13	Open	
DIALOG GROUP BHD	25/05/2021	Trading Buy	2.88	3.20	2.62	11%	-9%	1.23x	3.02	2.87	2.97	Open	
KELINGTON GROUP BHD	27/05/2021	Trading Buy	2.01	2.29	1.76	14%	-12%	1.12x	2.15	1.89	2.08	Open	
TOMYPAK HOLDINGS	27/05/2021	Trading Buy	0.56	0.63	0.50	13%	-11%	1.17x	0.59	0.53	0.54	Open	
ASTRO MALAYSIA HOLDINGS BHD	28/05/2021	Trading Buy	1.10	1.26	0.97	15%	-12%	1.23x	1.21	1.03	1.15	Open	
REVENUE GROUP BHD	28/05/2021	Trading Buy	1.92	2.14	1.72	11%	-10%	1.10x	2.02	1.82	2.01	Open	
MNRB HOLDINGS BHD	01/06/2021	Trading Buy	1.23	1.45	1.04	18%	-15%	1.16x	1.42	1.21	1.34	Open	
SKP RESOURCES BHD	01/06/2021	Trading Buy	1.53	1.70	1.38	11%	-10%	1.13x	1.73	1.47	1.66	TP Hit	08/06/2021
SOUTHERN CABLE GROUP BHD	02/06/2021	Trading Buy	0.46	0.52	0.41	13%	-11%	1.20x	0.48	0.46	0.47	Open	
HEITECH PADU BHD	02/06/2021	Trading Buy	1.23	1.41	1.09	15%	-11%	1.29x	1.58	1.25	1.43	TP Hit	02/06/2021
ADVANCECON HOLDINGS BHD	03/06/2021	Trading Buy	0.37	0.45	0.33	20%	-12%	1.67x	0.37	0.36	0.37	Open	
THREE-A RESOURCES BHD	03/06/2021	Trading Buy	0.89	1.01	0.79	13%	-11%	1.20x	0.90	0.85	0.87	Open	
FRONTKEN CORP BHD	04/06/2021	Trading Buy	3.10	3.60	2.63	16%	-15%	1.06x	3.08	2.84	2.86	Open	
PRESTAR RESOURCES BHD	04/06/2021	Trading Buy	1.18	1.37	1.00	16%	-15%	1.06x	1.28	1.12	1.28	Open	
KRONOLOGI ASIA BHD	09/06/2021	Trading Buy	0.67	0.77	0.57	16%	-14%	1.11x	0.68	0.66	0.67	Open	
MALAYSIA BUILDING SOCIETY	09/06/2021	Trading Buy	0.65	0.73	0.58	12%	-11%	1.14x	0.66	0.63	0.64	Open	
K-ONE TECHNOLOGY BHD	10/06/2021	Trading Buy	0.30	0.36	0.25	20%	-17%	1.20x	0.33	0.31	0.31	Open	
GAMUDA BHD	10/06/2021	Trading Buy	3.11	3.45	2.86	11%	-8%	1.36x	3.20	3.11	3.16	Open	
KERJAYA PROSPEK GROUP BHD	11/06/2021	Trading Buy	1.23	1.38	1.10	12%	-11%	1.15x	1.24	1.21	1.23	Open	
TECHBOND GROUP BHD	11/06/2021	Trading Buy	0.50	0.56	0.45	12%	-10%	1.20x	0.53	0.51	0.52	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

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Basic 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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