

08 September 2021

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Daily technical highlights – (HIL, FPGROUP)

Daily Charting – HIL (Trading Buy)



About the Stock:		Key Support & Resistance Levels	
Name	: HIL Industries Bhd	52 Week High/Low	: 1.26/0.77
Bursa Code	: HIL	3-m Avg. Daily Vol.	: 105,739
CAT Code	: 8443	Free Float (%)	: 9.4
Market Cap	: RM322.0m	Beta vs. KLCI	: 0.4
		Last Price	: RM0.97
		Resistance	: RM1.10 (R1) RM1.20 (R2)
		Stop Loss	: RM0.85

HIL Industries Bhd (Trading Buy)

- As a one-stop engineering plastics solution provider, HIL’s plastic component products are widely used in the automotive, consumer electronics and information technology (IT) industries. The group is also involved in the property development business. Each segment contributed almost equally to the overall revenue (of RM163.0m) last year.
- With approximately 80% of the plastics manufacturing division’s turnover coming from the automotive sector, HIL (whose customers include Perodua, Proton, Toyota and Honda) offers indirect exposure to the local car sales industry, which is expected to play catch up with pent-up demand as the economy reopens progressively.
- After registering net profit of RM24.6m (+14% YoY) in FY December 2020, the group’s growth momentum continued in 1QFY21 with net earnings standing at RM6.2m (+50% YoY).
- HIL is financially sound with zero borrowings and cash holdings of RM101.0m (which translates to 30.4 sen per share or nearly one-third of the existing share price) as of end-March this year.
- On the chart, following a surge to as high as RM1.10 last Friday before pulling back in the subsequent days to close at RM0.97 yesterday, the stock has overcome a descending price channel that stretches back to late February this year.
- And after piercing through the 150-day SMA line, the share price run-up is expected to persist riding, on the bullish crossovers by both the momentum and MACD indicators.
- With that, HIL shares will probably advance towards our resistance thresholds of RM1.10 (R1; 13% upside potential) and RM1.20 (R2; 24% upside potential).
- We have pegged our stop loss level at RM0.85 (representing a 12% downside risk).

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Daily Charting – FPGROUP (Trading Buy)



About the Stock:		Key Support & Resistance Levels		
Name	FoundPac Group Bhd	52 Week High/Low	: 1.13/0.70	
Bursa Code	FPGROUP	3-m Avg. Daily Vol.	: 2,721,721	
CAT Code	5277	Free Float (%)	: 45.6	
Market Cap	RM430.3m	Beta vs. KLCI	: 1.2	
		Last Price	: RM0.795	
		Resistance	: RM0.91 (R1) RM1.04 (R2)	
		Stop Loss	: RM0.70	

FoundPac Group Bhd (Trading Buy)

- A technical rebound could be underway for FPGROUP shares after sliding from a recent high of RM0.925 in early August to RM0.795 currently.
- From a charting standpoint, the stock is anticipated to shift higher on account of the positive technical signals arising from: (i) the share price crossing back above the lower Bollinger Band, and (ii) the stochastics indicator with the %K line cutting over the %D line in the oversold zone.
- Riding on the strengthening momentum, the stock could climb towards our resistance thresholds of RM0.91 (R1; 14% upside potential) and RM1.04 (R2; 31% upside potential).
- Our stop loss price is set at RM0.70 (or 12% downside risk).
- Business-wise, FPGROUP is principally involved in the manufacturing and sale of precision engineering parts (namely stiffeners, test sockets, hand lids & related accessories) and laser stencils.
- With a customer base consisting of primarily large multinational semiconductor manufacturers, outsourced semiconductor assembly and test companies (OSATs) and printed circuit board (PCB) design houses, FPGROUP is a proxy to the high-growth technology industry.
- Over the years, the group has been profitable with its bottomline fluctuating between RM7.5m and RM16.4m from FY16 to FY20. In the latest FY ended June 2021, its net profit came in at RM11.6m (-27% YoY).
- And given a debt-free balance sheet that is backed by cash holdings of RM56.2m (or 10.4 sen per share) as of end-June this year, FPGROUP is in a financially steady position to weather through the prevailing challenging economic environment.

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STOCK CALL MONITOR*





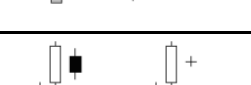
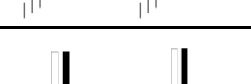


Stock Name	Issue Date (ID)	Rating	Price @ ID	Target Price (TP)	Stop Loss Price (SL)	Upside Potential @ ID	Downside Risk @ ID	Risk to Reward Ratio	Highest Price since ID	Lowest Price since ID	Last Price RM	Status [^]	Date Status Fulfilled
			RM	RM	RM	%	%		RM	RM			
EG INDUSTRIES BHD	11/8/2021	Trading Buy	0.63	0.74	0.55	17%	-13%	1.38x	0.68	0.58	0.63	Open	
STRAITS ENERGY RESOURCES BHD	11/8/2021	Trading Buy	0.21	0.24	0.18	17%	-15%	1.17x	0.22	0.19	0.20	Open	
HEXTAR INDUSTRIES BHD	12/8/2021	Trading Buy	0.36	0.42	0.31	17%	-14%	1.20x	0.38	0.30	0.31	SL Hit	2/9/2021
ATA IMS BHD	12/8/2021	Trading Buy	2.74	3.14	2.39	15%	-13%	1.14x	2.83	2.53	2.65	Open	
ASTRO MALAYSIA HOLDINGS BHD	13/8/2021	Trading Buy	1.09	1.22	1.00	12%	-8%	1.44x	1.13	1.07	1.08	Open	
WCT HOLDINGS BHD	13/8/2021	Trading Buy	0.52	0.58	0.47	13%	-9%	1.44x	0.59	0.51	0.59	TP Hit	7/9/2021
MSM MALAYSIA HOLDINGS BHD	17/8/2021	Trading Sell	1.61	1.39	1.81	-14%	-12%	1.21x	1.76	1.38	1.67	TP Hit	25/8/2021
JHM CONSOLIDATION BHD	17/8/2021	Trading Sell	2.14	1.86	2.40	13%	-12%	1.08x	2.26	1.99	2.10	Open	
SUNWAY REAL ESTATE INVESTMEN	18/8/2021	Trading Buy	1.41	1.53	1.31	9%	-7%	1.20x	1.47	1.40	1.46	Open	
IGB REAL ESTATE INVESTMENT T	18/8/2021	Trading Buy	1.67	1.80	1.55	8%	-7%	1.08x	1.72	1.66	1.70	Open	
OPCOM HOLDINGS BHD	19/8/2021	Trading Buy	0.55	0.63	0.47	15%	-14%	1.07x	0.57	0.51	0.55	Open	
MY EG SERVICES BHD	19/8/2021	Trading Buy	1.65	1.86	1.48	13%	-10%	1.24x	2.00	1.64	1.96	TP Hit	23/8/2021
DUOPHARMA BIOTECH BHD @	20/8/2021	Trading Buy	1.96	2.18	1.75	11%	-11%	1.00x	2.03	1.86	1.96	Open	
GAMUDA BHD	20/8/2021	Trading Buy	2.80	3.13	2.52	12%	-10%	1.18x	3.23	2.79	3.22	TP Hit	3/9/2021
HEITECH PADU BHD	24/8/2021	Trading Buy	1.34	1.52	1.18	13%	-12%	1.13x	1.40	1.33	1.39	Open	
MMS VENTURES BHD	24/8/2021	Trading Buy	0.93	1.05	0.83	14%	-10%	1.32x	1.10	0.91	1.09	TP Hit	6/9/2021
SAMCHEM HOLDINGS BHD	25/8/2021	Trading Buy	0.75	0.85	0.65	14%	-13%	1.05x	0.83	0.75	0.79	Open	
CCK CONSOLIDATED HOLDINGS BH	25/8/2021	Trading Buy	0.60	0.70	0.51	18%	-14%	1.24x	0.62	0.57	0.59	Open	
BUMI ARMADA BERHAD	26/8/2021	Trading Buy	0.42	0.48	0.37	14%	-12%	1.20x	0.47	0.42	0.45	Open	
AMMB HOLDINGS BHD	26/8/2021	Trading Buy	3.00	3.30	2.79	10%	-7%	1.43x	3.33	2.98	3.29	TP Hit	6/9/2021
SOLARVEST HOLDINGS BHD	27/8/2021	Trading Buy	1.36	1.54	1.21	13%	-11%	1.20x	1.40	1.33	1.37	Open	
SARAWAK OIL PALMS BERHAD	27/8/2021	Trading Buy	3.76	4.21	3.33	12%	-11%	1.05x	3.82	3.60	3.72	Open	
HEXZA CORP BHD	1/9/2021	Trading Buy	1.04	1.16	0.94	12%	-10%	1.20x	1.09	1.05	1.07	Open	
JAG BHD	1/9/2021	Trading Buy	0.35	0.40	0.30	14%	-14%	1.00x	0.38	0.34	0.38	Open	
EWEIN BHD	2/9/2021	Trading Buy	0.39	0.46	0.32	19%	-17%	1.15x	0.43	0.39	0.41	Open	
WAH SEONG CORP BHD	2/9/2021	Trading Buy	0.67	0.79	0.57	17%	-15%	1.15x	0.71	0.65	0.71	Open	
PESTECH INTERNATIONAL BHD	3/9/2021	Trading Buy	1.02	1.15	0.91	13%	-11%	1.18x	1.09	1.02	1.08	Open	
VSTECs BHD	3/9/2021	Trading Buy	1.33	1.50	1.19	13%	-11%	1.21x	1.35	1.32	1.34	Open	
GLOBETRONICS TECHNOLOGY BHD	7/9/2021	Trading Buy	2.14	2.45	1.90	14%	-11%	1.29x	2.18	2.13	2.18	Open	
MCLEAN TECHNOLOGIES BHD	7/9/2021	Trading Buy	0.42	0.50	0.35	19%	-17%	1.14x	0.42	0.41	0.42	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.

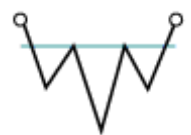
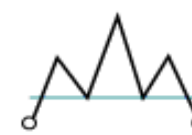


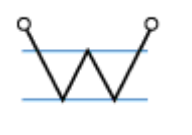
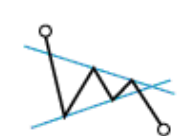

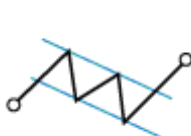


[^] Status will be categorised as either: (i) "TP hit" when stock reaches target price first OR (ii) "SL hit" when stock touches stop loss first OR (iii) "Open" when neither TP nor SL has been hit.

@ Share price data adjusted for a 1-for-3 bonus issue following the ex-entitlement date on 6 Sep 2021.

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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