

By Goh Yin Foo, CFA, CMT / [gohyf@kenanga.com.my](mailto:gohyf@kenanga.com.my)

Continuing from where it left off last week, the Malaysian bourse will probably extend its consolidation pattern with a slight downward bias ahead. The key FBMKLCI swung from as high as 1,605 (on Wednesday) to a low of 1,580 (last Friday) before finishing at 1,589, little changed from the prior week's close of 1,590. Over in the US, the DJIA ended at 35,369, marginally down by 86.7 points or 0.2% week-on-week.

Investors remained engaged on the local stock exchange last week with daily transactions averaging 4.4b shares in volume and RM3.2b in value, compared with the previous week's average of 4.4b shares worth RM2.9b. And just like the preceding three weeks, foreigners were still buying more Malaysian shares than they had sold (resulting in net weekly inflows of RM786m) as local retail investors turned net buyers too (amounting to RM86m) while domestic institutions saw net selling flows (valued at RM872m).

The week ahead will see macro news hogging the limelight with the focus on key takeaways from Bank Negara Malaysia's monetary policy committee meeting (scheduled on Thursday), in addition to the July Industrial Production Index (IPI) data and August palm oil industry statistics (both due on Friday). On the corporate front, following the extension of time (until end-September) for the release of results announcements for the April – June quarter, the likes of YTL Power International (on Wednesday) are anticipated to publish their earnings report cards this week.

In the meantime, overall investor sentiment is expected to hold up as the number of new Covid-19 infections especially in the major Klang Valley economic hub has likely peaked while the recent political tension has eased off too.

Still, from a technical perspective, after a jump of 99.4 points or 6.7% in four weeks, the key FBMKLCI will probably be in a consolidation mode for the time being. On the chart, following the absence of a convincing breakout from the key 200-day SMA line and given the bearish stochastic signal (as the %K line has crossed under the %D line in an overbought territory), the benchmark index could be swinging – with a marginal negative bias – between our existing support and resistance thresholds of 1,550 (S1) and 1,600 (R1) ahead.

On Wall Street, the DJIA may be eager to regain its momentum to test the recent record high of 35,631 soon. Our major support and resistance levels have been tweaked to 34,100 (S1) / 33,200 (S2) and 35,400 (R1) / 36,800 (R2), respectively.



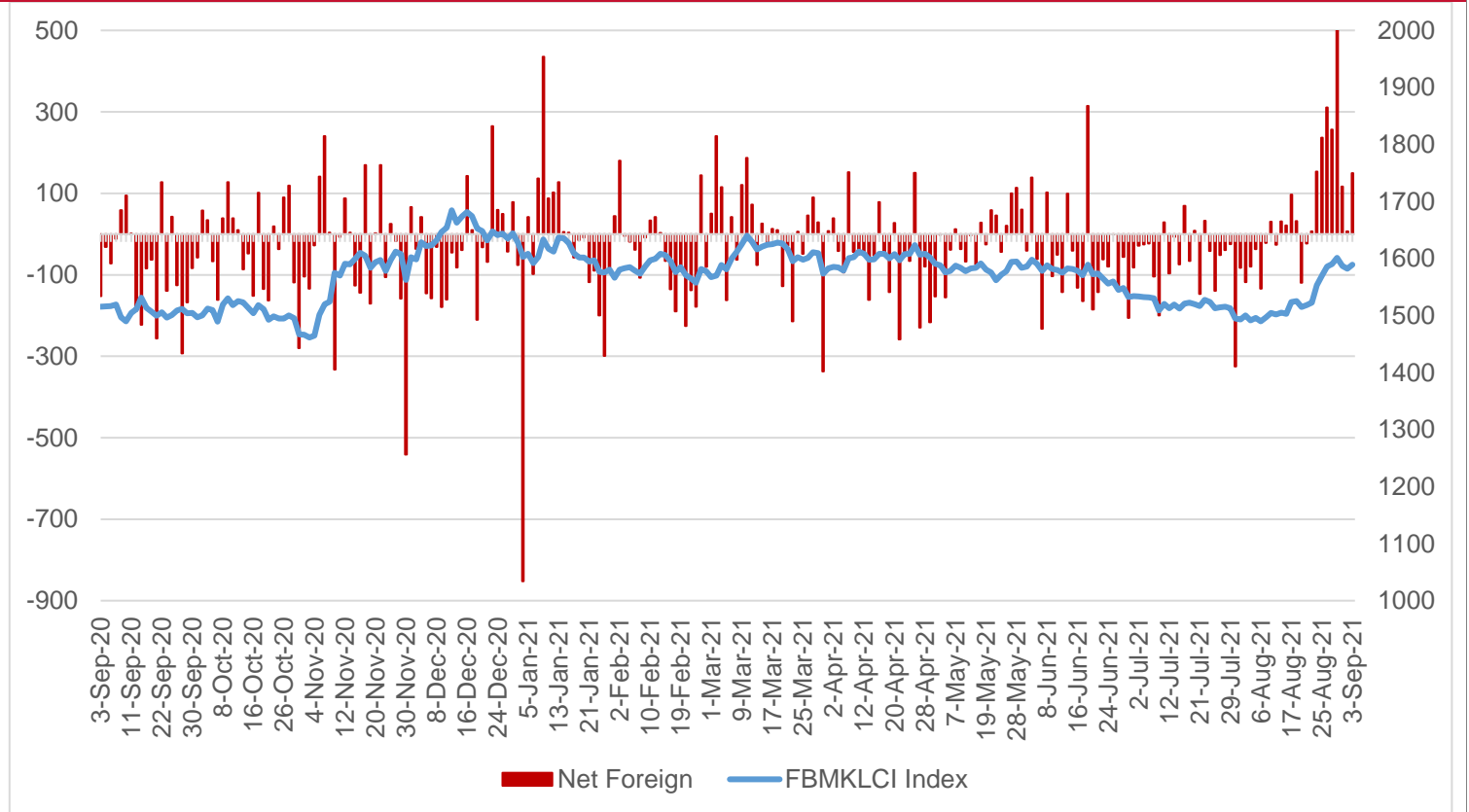
Source: Kenanga Research

06 September 2021



Source: Kenanga Research

### Net Foreign Trade Position vs FBMKLCI



Foreign investors remained net buyers with net inflows of RM786.4m last week compared to cumulative net inflows of RM964.3m in the prior week.

Source: Kenanga Research

06 September 2021







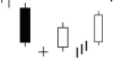

## STOCK CALL MONITOR\*

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			
UMW HOLDINGS BHD	6/8/2021	Trading Buy	3.04	3.37	2.76	11%	-9%	1.18x	3.29	2.86	3.22	Open	
IOI PROPERTIES GROUP BHD	6/8/2021	Trading Buy	1.15	1.30	1.02	13%	-11%	1.15x	1.31	1.13	1.25	TP Hit	25/8/2021
EG INDUSTRIES BHD	11/8/2021	Trading Buy	0.63	0.74	0.55	17%	-13%	1.38x	0.68	0.58	0.60	Open	
STRAITS ENERGY RESOURCES BHD	11/8/2021	Trading Buy	0.21	0.24	0.18	17%	-15%	1.17x	0.22	0.20	0.21	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	2.60	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	0.56	0.51	0.55	Open	
MSM MALAYSIA HOLDINGS BHD	17/8/2021	Trading Sell	1.61	1.39	1.81	-14%	-12%	1.21x	1.71	1.38	1.68	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	2.01	Open	
SUNWAY REAL ESTATE INVESTMEN	18/8/2021	Trading Buy	1.41	1.53	1.31	9%	-7%	1.20x	1.47	1.40	1.43	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	0.53	Open	
MY EG SERVICES BHD	19/8/2021	Trading Buy	1.65	1.86	1.48	13%	-10%	1.24x	1.97	1.64	1.94	TP Hit	23/8/2021
DUOPHARMA BIOTECH BHD	20/8/2021	Trading Buy	2.61	2.90	2.33	11%	-11%	1.07x	2.65	2.47	2.61	Open	
GAMUDA BHD	20/8/2021	Trading Buy	2.80	3.13	2.52	12%	-10%	1.18x	3.18	2.79	3.15	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	1.35	Open	
MMS VENTURES BHD	24/8/2021	Trading Buy	0.93	1.05	0.83	14%	-10%	1.32x	0.97	0.91	0.97	Open	
SAMCHEM HOLDINGS BHD	25/8/2021	Trading Buy	0.75	0.85	0.65	14%	-13%	1.05x	0.82	0.75	0.81	Open	
CCK CONSOLIDATED HOLDINGS BH	25/8/2021	Trading Buy	0.60	0.70	0.51	18%	-14%	1.24x	0.62	0.57	0.58	Open	
BUMI ARMADA BERHAD	26/8/2021	Trading Buy	0.42	0.48	0.37	14%	-12%	1.20x	0.47	0.42	0.46	Open	
AMMB HOLDINGS BHD	26/8/2021	Trading Buy	3.00	3.30	2.79	10%	-7%	1.43x	3.27	2.98	3.26	Open	
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	3.66	Open	
HEXZA CORP BHD	1/9/2021	Trading Buy	1.04	1.16	0.94	12%	-10%	1.20x	1.08	1.05	1.08	Open	
JAG BHD	1/9/2021	Trading Buy	0.35	0.40	0.30	14%	-14%	1.00x	0.37	0.34	0.37	Open	
EWEIN BHD	2/9/2021	Trading Buy	0.39	0.46	0.32	19%	-17%	1.15x	0.43	0.39	0.40	Open	
WAH SEONG CORP BHD	2/9/2021	Trading Buy	0.67	0.79	0.57	17%	-15%	1.15x	0.68	0.65	0.67	Open	
PESTECH INTERNATIONAL BHD	3/9/2021	Trading Buy	1.02	1.15	0.91	13%	-11%	1.18x	1.08	1.02	1.08	Open	
VSTECS BHD	3/9/2021	Trading Buy	1.33	1.50	1.19	13%	-11%	1.21x	1.33	1.32	1.33	Open	

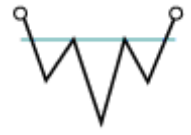
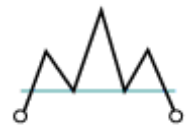
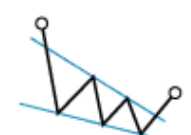

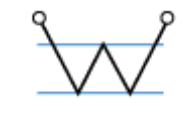
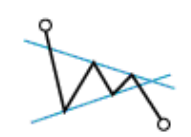
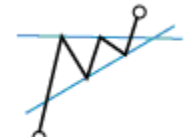
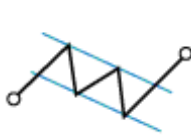


\* Tracks our stock recommendations on a one-month rolling basis from issue date. Stock names will drop out from the list after one month from issue date regardless of their status.

<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

Basic 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

This document has been prepared for general circulation based on information obtained from sources believed to be reliable but we do not make any representations as to its accuracy or completeness. Any recommendation contained in this document does not have regard to the specific investment objectives, financial situation and the particular needs of any specific person who may read this document. This document is for the information of addressees only and is not to be taken in substitution for the exercise of judgement by addressees. Kenanga Investment Bank Berhad accepts no liability whatsoever for any direct or consequential loss arising from any use of this document or any solicitations of an offer to buy or sell any securities. Kenanga Investment Bank Berhad and its associates, their directors, and/or employees may have positions in, and may effect transactions in securities mentioned herein from time to time in the open market or otherwise, and may receive brokerage fees or act as principal or agent in dealings with respect to these companies.

Published and printed by:

**KENANGA INVESTMENT BANK BERHAD (15678-H)**

Level 17, Kenanga Tower, 237, Jalan Tun Razak, 50400 Kuala Lumpur, Malaysia

Telephone: (603) 2172 0880 Website: [www.kenanga.com.my](http://www.kenanga.com.my) E-mail: [research@kenanga.com.my](mailto:research@kenanga.com.my)