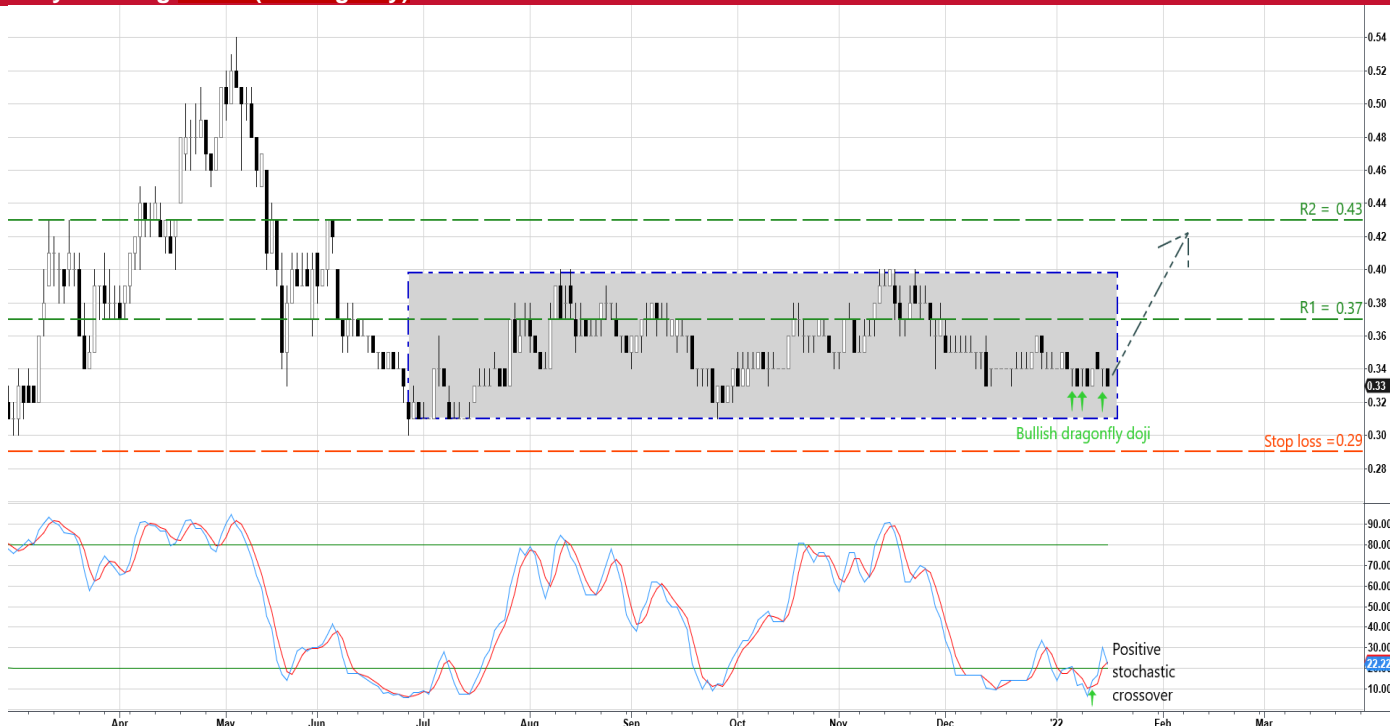


19 January 2022

By Goh Yin Foo, CFA, CMT | gohyf@kenanga.com.my

Daily technical highlights – (JAG, PESTECH)

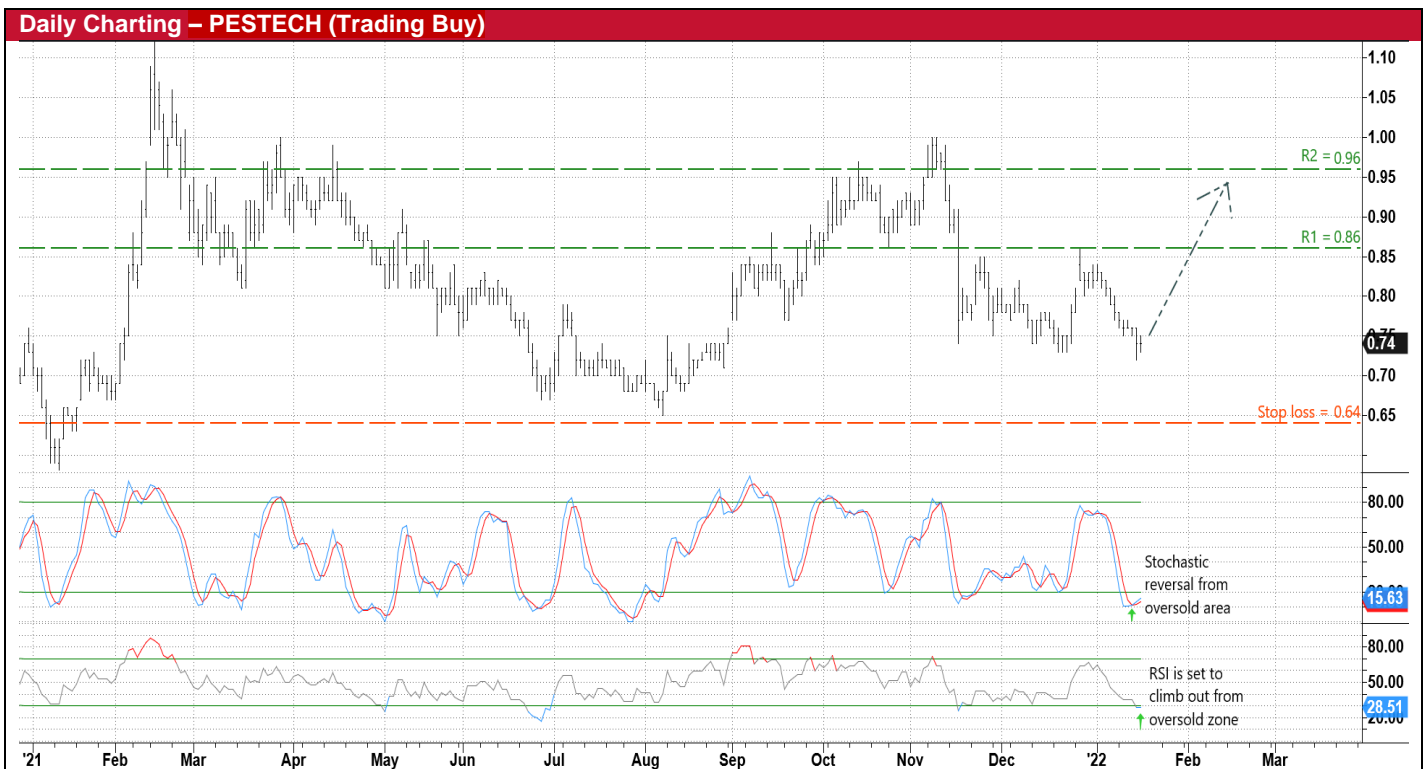
Daily Charting – JAG (Trading Buy)



About the Stock:		Key Support & Resistance Levels	
Name	: JAG Bhd	52 Week High/Low	: 0.54/0.195
Bursa Code	: JAG	3-m Avg. Daily Vol.	: 12,242,944
CAT Code	: 0024	Free Float (%)	: 51.2
Market Cap	: RM196.6m	Beta vs. KLCI	: 1.8
		Last Price	: RM0.325
		Resistance	: RM0.37 (R1) RM0.43 (R2)
		Stop Loss	: RM0.29

JAG Bhd (Trading Buy)

- JAG's share price – which has been locked inside a rectangle formation since end-June last year and is presently trading near the bottom of the trading range – could shift higher going forward.
- The positive technical outlook is triggered by: (i) a reversal by the stochastic indicator from an oversold position as the % K line cuts above the %D line; and (ii) the recent appearance of several bullish dragonfly doji candlesticks.
- On the way up, the stock will probably climb towards our immediate resistance target of RM0.37 (R1). Following which, a likely breakout from the rectangle pattern could propel the shares to challenge our next resistance threshold of RM0.43 (R2). This represents upside potentials of 14% and 32%, respectively.
- Our stop loss price level is pegged at RM0.29 (or an 11% downside risk).
- Fundamentally, JAG is one of Malaysia's leading total waste management services providers by market share with a niche in the recovery and recycling business of e-waste (electrical & electronic wastes). In addition, the group is involved in coin-operated laundry services, property development & software solutions.
- JAG – which sources for scheduled waste from local semiconductor manufacturers, process and/or convert the collected scheduled waste into valuable commodities (such as copper, tin, silver and gold) for resale in the export markets – offers exposure to the prevailing elevated commodity prices.
- On account of a consistent stream of quarterly net profit of RM5.4m (+252% YoY) in 1QFY21, RM4.6m (+110% YoY) in 2QFY21 and RM4.6m (+87% YoY) in 3QFY21, the group posted 9MFY21's net earnings of RM14.6m (up 136% YoY).
- JAG is also sitting on net cash position of RM18.6m (or 3.1 sen per share) as of end-September last year.



About the Stock:		Key Support & Resistance Levels	
Name	: Pestech International Bhd	52 Week High/Low	: 1.14/0.64
Bursa Code	: PESTECH	3-m Avg. Daily Vol.	: 4,552,033
CAT Code	: 5219	Free Float (%)	: 33.9
Market Cap	: RM704.7m	Beta vs. KLCI	: 1.0
		Last Price	: RM0.74
		Resistance	: RM0.86 (R1) RM0.96 (R2)
		Stop Loss	: RM0.64

Pestech International Bhd (Trading Buy)

- A technical rebound could be in the offing for PESTECH shares after tumbling from a recent high of RM1.02 in the first half of November last year to close at RM0.74 on Monday.
- An upward shift in the share price is now anticipated as both the stochastic and RSI indicators are in the midst of reversing from their oversold positions.
- With that, the stock may be on its way to scale towards our resistance thresholds of RM0.86 (R1; 16% upside potential) and RM0.96 (R2; 30% upside potential).
- We have set our stop loss price level at RM0.64 (or a 14% downside risk).
- PESTECH is an integrated electrical power technology company with core businesses in electrical system, transmission line & power cables, infrastructure asset management, power generation, rail electrification & signalling and power distribution & smart grid.
- After reporting net profit of RM66.2m (+29% YoY) in FY June 2021, the group's bottomline came in at RM11.9m (-21% YoY) in 1QFY22.
- Going forward, based on our fundamental research team's forecasts, PESTECH is projected to log rising net earnings of RM75.7m in FY June 2022 and RM87.0m in FY June 2023. This translates to undemanding forward PERs of 9.3x and 8.1x, respectively.
- In terms of recent corporate developments, in late December last year, PESTECH has secured a contract worth RM743m to design, supply, install, test and commission for Automated People Mover and associated works (including Operation & Maintenance Services) at KL International Airport.

19 January 2022

STOCK CALL MONITOR*





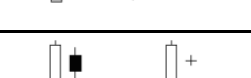
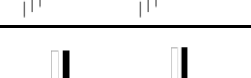


Stock Name	Issue Date (ID)	Rating	Price @ ID	Target Price (TP)	Stop Loss Price (SL)	Upside Potential @ ID	Downside Risk @ ID	Risk to Reward Ratio	Highest Price since ID	Lowest Price since ID	Last Price	Status [^]	Date Status Fulfilled
			RM	RM	RM	%	%		RM	RM			
HARBOUR-LINK GROUP BHD	21/12/2021	Trading Buy	1.17	1.34	1.05	15%	-10%	1.52x	1.32	1.13	1.14	Open	
SHIN YANG SHIPPING CORP BHD	21/12/2021	Trading Buy	0.32	0.36	0.28	13%	-13%	1.00x	0.35	0.32	0.34	Open	
NOVA WELLNESS GROUP BHD	22/12/2021	Trading Buy	0.98	1.11	0.85	14%	-13%	1.08x	1.07	0.96	1.02	Open	
UNITED U-LI CORP BHD	22/12/2021	Trading Buy	1.30	1.47	1.14	13%	-12%	1.06x	1.34	1.22	1.23	Open	
OPTIMAX HOLDINGS BHD	23/12/2021	Trading Buy	1.38	1.56	1.21	13%	-12%	1.06x	1.40	1.21	1.26	SL Hit	11/1/2021
GENTING MALAYSIA BHD	23/12/2021	Trading Buy	2.81	3.13	2.52	11%	-10%	1.10x	2.97	2.81	2.90	Open	
AXIATA GROUP BERHAD	24/12/2021	Trading Buy	3.69	4.05	3.34	10%	-9%	1.03x	4.16	3.67	3.77	TP Hit	31/12/2021
SYARIKAT TAKAFUL MALAYSIA KE#	24/12/2021	Trading Buy	3.64	4.00	3.35	10%	-8%	1.26x	3.89	3.54	3.70	TP Hit	14/1/2022
OPCOM HOLDINGS BHD	4/1/2022	Trading Buy	0.99	1.15	0.85	16%	-14%	1.14x	1.03	0.88	0.89	Open	
BINASAT COMMUNICATIONS BHD	4/1/2022	Trading Buy	0.32	0.36	0.27	14%	-14%	1.00x	0.33	0.30	0.30	Open	
INSAS BHD	5/1/2022	Trading Buy	0.96	1.05	0.87	10%	-9%	1.12x	0.99	0.92	0.92	Open	
JHM CONSOLIDATION BHD	5/1/2022	Trading Buy	1.77	2.03	1.53	15%	-14%	1.08x	1.87	1.49	1.52	SL Hit	17/1/2022
BP PLASTICS HOLDING BHD	6/1/2022	Trading Buy	1.58	1.85	1.38	17%	-13%	1.35x	1.60	1.42	1.45	Open	
SIME DARBY PROPERTY BHD	6/1/2022	Trading Buy	0.63	0.73	0.55	16%	-13%	1.25x	0.64	0.60	0.60	Open	
SOUTHERN STEEL BERHAD	7/1/2022	Trading Buy	0.82	0.94	0.72	15%	-12%	1.20x	0.85	0.78	0.81	Open	
ABLE GLOBAL BHD	7/1/2022	Trading Buy	1.66	1.86	1.48	12%	-11%	1.11x	1.67	1.58	1.62	Open	
SERSOL BHD	11/1/2022	Trading Buy	0.50	0.60	0.39	21%	-21%	1.00x	0.54	0.46	0.47	Open	
SOUTHERN CABLE GROUP BHD	11/1/2022	Trading Buy	0.42	0.47	0.37	13%	-11%	1.22x	0.41	0.40	0.40	Open	
POH HUAT RESOURCES HLDGS BHD	12/1/2022	Trading Buy	1.35	1.52	1.20	13%	-11%	1.13x	1.38	1.34	1.37	Open	
EG INDUSTRIES BHD	12/1/2022	Trading Buy	0.59	0.67	0.50	15%	-15%	1.00x	0.61	0.57	0.58	Open	
GDEX BHD	13/1/2022	Trading Buy	0.29	0.34	0.25	17%	-14%	1.25x	0.29	0.28	0.28	Open	
MYNEWS HOLDINGS BHD	13/1/2022	Trading Buy	0.86	0.95	0.77	11%	-10%	1.12x	0.88	0.86	0.86	Open	
SCGM BHD	14/1/2022	Trading Buy	2.23	2.55	1.96	14%	-12%	1.19x	2.25	2.16	2.22	Open	
UEM SUNRISE BHD	14/1/2022	Trading Buy	0.34	0.40	0.29	16%	-15%	1.10x	0.34	0.33	0.34	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.


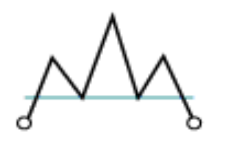
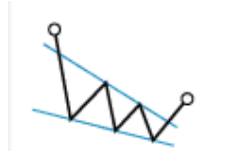

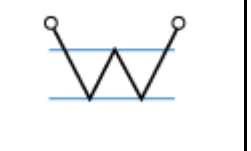
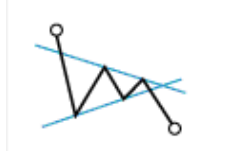
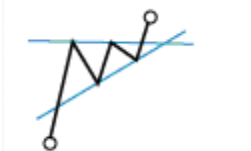
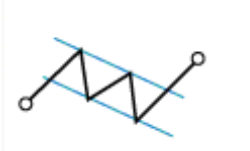


[^] Status will be categorised as either: (i) "TP hit" when stock reaches target price first OR (ii) "SL hit" when stock touches stop loss first OR (iii) "Open" when neither TP nor SL has been hit.

Stock has traded ex-entitlement for DPS of 12 sen on 29 Dec 2021. TP Hit after taking into account the dividend returns.

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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