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Daily technical highlights – (SSTEEL, ABLEGLOB)

Daily Charting – SSTEEL (Trading Buy)



About the Stock:		Key Support & Resistance Levels	
<b>Name</b>	: Southern Steel Bhd	<b>52 Week High/Low</b>	: 1.25/0.62
<b>Bursa Code</b>	: SSTEEL	<b>3-m Avg. Daily Vol.</b>	: 210,787
<b>CAT Code</b>	: 5655	<b>Free Float (%)</b>	: 23.4
<b>Market Cap</b>	: RM489.0m	<b>Beta vs. KLCI</b>	: 1.3
		<b>Last Price</b>	: RM0.82
		<b>Resistance</b>	: RM0.94 (R1) RM1.04 (R2)
		<b>Stop Loss</b>	: RM0.72

**Southern Steel Bhd (Trading Buy)**

- SSTEEL is in the business of steel manufacturing with a diverse array of products (such as billets, steel bars, carbon wire rods and pipes).
- Earnings-wise, SSTEEL reported a net profit of RM32.2m in 1QFY22 versus a net loss of RM28.1m in the previous year quarter. The latest quarter's earnings improvement is attributed to a higher revenue of RM487.1m (+9.6% YoY), coupled with an increase in other incomes and higher profit contribution from associate company.
- Chart-wise, after sliding from a peak of RM2.45 around mid-November 2017, the stock hit a bottom at RM0.33 around mid-March 2020. Thereafter, the stock traded sideways for around 9 months before spiking to a high of RM1.25 in the beginning of May 2021. Since then, the stock has declined by approximately 34% to close at RM0.82 yesterday, which remains comfortably above the 100-day MA.
- The stock is anticipated to stage a rally ahead as: (i) a golden cross has taken place in which the 50-day MA has crossed above the 100-day MA, and (ii) the ROC indicator has just traded upwards above the zero-line.
- With that, the stock could challenge our resistance targets of RM0.94 (R1; 15% upside potential) and RM1.04 (R2; 27% upside potential).
- Our stop loss price level is pegged at RM0.72 (or a 12% downside risk).

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Daily Charting – ABLEGLOB (Trading Buy)



About the Stock:		Key Support & Resistance Levels	
<b>Name</b>	: Able Global Bhd	<b>52 Week High/Low</b>	: 1.98/1.42
<b>Bursa Code</b>	: ABLEGLOB	<b>3-m Avg. Daily Vol.</b>	: 240,486
<b>CAT Code</b>	: 7167	<b>Free Float (%)</b>	: 51.6
<b>Market Cap</b>	: RM510.6m	<b>Beta vs. KLCI</b>	: 1.21
		<b>Last Price</b>	: RM1.66
		<b>Resistance</b>	: RM1.86 (R1) RM1.95 (R2)
		<b>Stop Loss</b>	: RM1.48

Able Global Bhd (Trading Buy)

- Chart-wise, ABLEGLOB’s stock has advanced 55% to RM1.60 in end April 2019 from a low of RM1.03 in the beginning of January 2019. Since then, the stock has retraced and treaded sideways for 7 months before reaching a higher high of RM1.90 in mid-February 2020.
- Thereafter, the stock plunged 48% to RM0.98 in mid-March 2020 before reaching a new high of RM2.08 towards the end of December 2020, only to decline again (by 20%) from its peak to close at RM1.66 yesterday.
- A technical rebound may be on the cards as the MACD line is on the verge of crossing above the signal line.
- In addition, the stock is trading above the 200-day EMA (since the beginning of April 2020), signalling that the stock is in a long-term uptrend pattern.
- Riding on the positive momentum, ABLEGLOB shares could climb towards our resistance thresholds of RM1.86 (R1) and RM1.95 (R2), which represent upside potentials of 12% and 17%, respectively.
- We have placed our stop loss at RM1.48, which represents a downside risk of 11%.
- ABLEGLOB’s core business encompasses 2 key segments, namely: (i) speciality metal packaging division, and (ii) food and beverage division.
- In its most recent financial reporting quarter, the group registered a net profit of RM8.8m in 3QFY21 (-23% QoQ), mainly dragged down by lower sales. This then brought its 9MFY21’s net profit to RM29.7m (-5% YoY).

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## STOCK CALL MONITOR\*





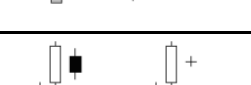
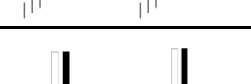


Stock Name	Issue Date (ID)	Rating	Price @ ID	Target Price (TP)	Stop Loss Price (SL)	Upside Potential @ ID	Downside Risk @ ID	Risk to Reward Ratio	Highest Price since ID	Lowest Price since ID	Last Price RM	Status <sup>^</sup>	Date Status Fulfilled
			RM	RM	RM	%	%		RM	RM			
TALIWORKS CORP BHD	7/12/2021	Trading Buy	0.84	0.91	0.77	9%	-8%	1.15x	0.90	0.83	0.89	Open	
YTL POWER INTERNATIONAL BHD	7/12/2021	Trading Buy	0.61	0.68	0.56	11%	-8%	1.40x	0.64	0.60	0.63	Open	
MALAKOFF CORP BHD	8/12/2021	Trading Buy	0.74	0.80	0.68	9%	-7%	1.18x	0.77	0.71	0.75	Open	
TSH RESOURCES BHD	8/12/2021	Trading Buy	1.06	1.18	0.95	11%	-10%	1.09x	1.15	1.02	1.11	Open	
GAMUDA BHD	9/12/2021	Trading Buy	2.92	3.29	2.60	13%	-11%	1.16x	3.00	2.81	2.92	Open	
HIBISCUS PETROLEUM BHD	9/12/2021	Trading Buy	0.75	0.87	0.67	16%	-10%	1.57x	0.85	0.72	0.82	Open	
FM GLOBAL LOGISTICS HOLDINGS	10/12/2021	Trading Buy	0.87	0.97	0.77	12%	-11%	1.11x	0.92	0.84	0.89	Open	
ECONPILE HOLDINGS BHD	10/12/2021	Trading Buy	0.33	0.38	0.29	14%	-12%	1.13x	0.35	0.31	0.34	Open	
MALAYSIAN BULK CARRIERS BHD	14/12/2021	Trading Buy	0.51	0.60	0.43	18%	-16%	1.13x	0.57	0.50	0.56	Open	
POWER ROOT BHD	14/12/2021	Trading Buy	1.36	1.51	1.22	11%	-10%	1.07x	1.37	1.33	1.35	Open	
PAVILION REAL ESTATE INVEST	15/12/2021	Trading Buy	1.26	1.40	1.15	11%	-9%	1.27x	1.30	1.23	1.25	Open	
YTL HOSPITALITY REIT	15/12/2021	Trading Buy	0.92	1.01	0.83	10%	-9%	1.12x	0.94	0.90	0.91	Open	
REVENUE GROUP BHD	16/12/2021	Trading Buy	1.50	1.75	1.31	17%	-13%	1.32x	1.57	1.43	1.43	Open	
MIECO CHIPBOARD BERHAD	16/12/2021	Trading Buy	0.50	0.57	0.43	15%	-14%	1.07x	0.59	0.47	0.58	TP Hit	28/12/2021
CTOS DIGITAL BHD	17/12/2021	Trading Buy	1.75	1.98	1.53	13%	-13%	1.05x	1.93	1.71	1.92	Open	
DIALOG GROUP BHD	17/12/2021	Trading Buy	2.46	2.78	2.18	13%	-11%	1.14x	2.72	2.36	2.67	Open	
HARBOUR-LINK GROUP BHD	21/12/2021	Trading Buy	1.17	1.34	1.05	15%	-10%	1.52x	1.32	1.13	1.27	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	1.06	0.96	1.05	Open	
UNITED U-LI CORP BHD	22/12/2021	Trading Buy	1.30	1.47	1.14	13%	-12%	1.06x	1.34	1.23	1.31	Open	
OPTIMAX HOLDINGS BHD	23/12/2021	Trading Buy	1.38	1.56	1.21	13%	-12%	1.06x	1.40	1.24	1.26	Open	
GENTING MALAYSIA BHD	23/12/2021	Trading Buy	2.81	3.13	2.52	11%	-10%	1.10x	2.97	2.81	2.89	Open	
AXIATA GROUP BERHAD	24/12/2021	Trading Buy	3.69	4.05	3.34	10%	-9%	1.03x	4.16	3.67	3.86	TP Hit	31/12/2021
SYARIKAT TAKAFUL MALAYSIA KE#	24/12/2021	Trading Buy	3.64	4.00	3.35	10%	-8%	1.26x	3.72	3.54	3.69	Open	
OPCOM HOLDINGS BHD	4/1/2022	Trading Buy	0.99	1.15	0.85	16%	-14%	1.14x	1.03	0.94	0.95	Open	
BINASAT COMMUNICATIONS BHD	4/1/2022	Trading Buy	0.32	0.36	0.27	14%	-14%	1.00x	0.33	0.31	0.32	Open	
INSAS BHD	5/1/2022	Trading Buy	0.96	1.05	0.87	10%	-9%	1.12x	0.99	0.96	0.96	Open	
JHM CONSOLIDATION BHD	5/1/2022	Trading Buy	1.77	2.03	1.53	15%	-14%	1.08x	1.87	1.76	1.82	Open	
BP PLASTICS HOLDING BHD	6/1/2022	Trading Buy	1.58	1.85	1.38	17%	-13%	1.35x	1.60	1.55	1.57	Open	
SIME DARBY PROPERTY BHD	6/1/2022	Trading Buy	0.63	0.73	0.55	16%	-13%	1.25x	0.63	0.62	0.63	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.

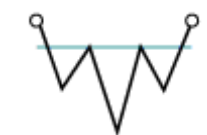



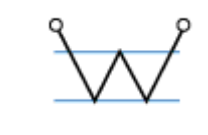
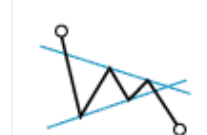

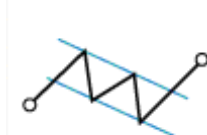
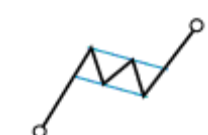

<sup>^</sup> Status will be categorised as either: (i) "TP hit" when stock reaches target price first OR (ii) "SL hit" when stock touches stop loss first OR (iii) "Open" when neither TP nor SL has been hit.

# Stock has traded ex-entitlement for DPS of 12 sen on 29 Dec 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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