

17 June 2022

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Daily technical highlights – (AEMULUS, QES)

Daily Charting – AEMULUS (Trading Buy)



About the Stock:		Key Support & Resistance Levels	
Name	: Aemulus Holdings Bhd	52 Week High/Low	: 1.26/0.57
Bursa Code	: AEMULUS	3-m Avg. Daily Vol.	: 7,781,901
CAT Code	: 0181	Free Float (%)	: 57%
Market Cap	: RM400.5m	Beta vs. KLCI	: 0.8
		Last Price	: RM0.60
		Resistance	: RM0.705 (R1) RM0.75 (R2)
		Stop Loss	: RM0.51

Aemulus Holdings Bhd (Trading Buy)

- In tandem with the plunge in the US tech-driven NASDAQ index since the beginning of 2022, AEMULUS' share price has been heading south to hit a low of RM0.565 in March 2022, down by ~55% since Jan 2022. Subsequently, it bounced up to a high of RM0.82 before succumbing to renewed selling pressure.
- On the chart, after finding intermediate support around RM0.60, a reversal in the share price is expected as the stochastic indicator is set to unwind from an oversold position.
- A technical rebound could then drive the stock price to challenge our resistance thresholds of RM0.705 (R1; 18% upside potential) and RM0.75 (R2; 25% upside potential).
- Our stop loss price is pegged at RM0.51 (or a downside risk of 15%).
- Fundamentally, AEMULUS is primarily involved in the design, engineering and development of automatic test equipment (ATE) products for semiconductor manufacturers and OSAT companies, focusing on the testing of semiconductor wafer and packaged devices before they are assembled into various electronic appliances.
- The group recorded a net profit of RM9.1m (+250% YoY) in 2QFY22, mainly driven by strong demand from the mobile & tablets, CMOS image sensors, data center, RF filters and automotive markets.
- Moving forward, consensus is forecasting AEMULUS to make net profit of RM18.2m in FY September 2022 and RM26.3m in FY September 2023, which translate to forward PERs of 22x this year and 15.2x next year, respectively.

Daily Chating – QES (Trading Buy)



About the Stock:		Key Support & Resistance Levels	
Name	: QES Group Bhd	52 Week High/Low	: 0.98/0.40
Bursa Code	: QES	3-m Avg. Daily Vol.	: 4,190,262
CAT Code	: 0196	Free Float (%)	: 15%
Market Cap	: RM417.1m	Beta vs. KLCI	: 0.5
		Last Price	: RM0.50
		Resistance	: RM0.57 (R1) RM0.62 (R2)
		Stop Loss	: RM0.43

QES Group Bhd (Trading Buy)

- QES' share price was in a downtrend since August 2021 and reached a low of RM0.42 in March 2022. Following a subsequent bounce up that hit a resistance at the price level of RM0.615, the shares are currently hovering near its crucial support level of RM0.50.
- With the stochastic indicator signaling that the stock is now in an oversold zone, the stage is set for a probable rebound ahead .
- We are anticipating that the stock could rise to challenge our resistance level of RM0.57 (R1; 14% upside potential) first, to be followed by RM0.62 (R2; 24% upside potential) thereafter.
- We have also placed our stop loss at RM0.43, representing a downside risk of 14%.
- A manufacturer and distributor of inspection, test, measuring, analytical and automated handling equipment, QES reported net profit of RM 6.7m (-3.2% YoY) in 1QFY22. The decline in net profit is due to higher effective tax rate compared to 1QFY21. However, QES announced higher profit before tax of RM9.4m (+5.1% YoY) in 1QFY22 mainly attributed to continued strong global demand in the semiconductor, automotive and electrical and electronic industries.
- Moving forward, consensus is currently projecting the group would record net profit of RM22.4m for FY22 and RM27.9m for FY23.
- Valuation-wise, this translates to forward PERs of 18.6x and 15x, respectively.

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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 [^]	Date Status Fulfilled
			RM	RM	RM	%	%		RM	RM			
CTOS DIGITAL BHD	18/5/2022	Trading Buy	1.38	1.50	1.26	9%	-9%	1.00x	1.47	1.26	1.27	SL Hit	14/6/2022
SIME DARBY PROPERTY BHD	18/5/2022	Trading Buy	0.56	0.61	0.51	10%	-8%	1.22x	0.57	0.45	0.45	SL Hit	27/5/2022
JAG BHD	19/5/2022	Trading Buy	0.37	0.41	0.33	12%	-10%	1.29x	0.40	0.34	0.35	Open	
HIBISCUS PETROLEUM BHD	19/5/2022	Trading Buy	1.49	1.68	1.34	13%	-10%	1.27x	1.49	1.16	1.17	SL Hit	25/5/2022
BONIA CORP BHD	20/5/2022	Trading Buy	2.60	2.89	2.31	11%	-11%	1.00x	2.86	2.24	2.41	SL Hit	30/5/2022
POWER ROOT BHD	20/5/2022	Trading Buy	1.68	1.86	1.50	11%	-11%	1.00x	1.81	1.42	1.62	SL Hit	27/5/2022
DAYANG ENTERPRISE HLDGS BHD	24/5/2022	Trading Buy	0.96	1.07	0.87	11%	-9%	1.22x	1.05	0.95	1.00	Open	
GLOBAL ORIENTAL BHD	24/5/2022	Trading Buy	0.31	0.35	0.27	13%	-11%	1.14x	0.39	0.27	0.28	TP Hit	26/5/2022
THREE-A RESOURCES BHD	25/5/2022	Trading Buy	0.89	0.98	0.80	11%	-10%	1.12x	0.90	0.84	0.87	Open	
WESTPORTS HOLDINGS BHD	25/5/2022	Trading Buy	3.80	4.10	3.54	8%	-7%	1.15x	3.80	3.38	3.56	SL Hit	30/5/2022
ECOMATE HOLDINGS BHD	26/5/2022	Trading Buy	0.54	0.61	0.47	13%	-13%	1.00x	0.54	0.50	0.51	Open	
TAMBUN INDAH LAND BHD	26/5/2022	Trading Buy	1.00	1.12	0.88	13%	-12%	1.09x	1.01	0.82	0.86	SL Hit	27/5/2022
SIME DARBY BERHAD	27/5/2022	Trading Buy	2.17	2.36	2.00	9%	-8%	1.12x	2.31	2.12	2.15	Open	
MR DIY GROUP M BHD	27/5/2022	Trading Buy	3.42	3.75	3.16	10%	-8%	1.27x	3.44	2.92	2.98	SL Hit	9/6/2022
MALAYSIAN RESOURCES CORP BHD	31/5/2022	Trading Buy	0.35	0.40	0.30	14%	-14%	1.00x	0.40	0.35	0.36	TP Hit	2/6/2022
HSS ENGINEERS BHD	31/5/2022	Trading Buy	0.47	0.51	0.42	10%	-10%	1.00x	0.48	0.46	0.47	Open	
MALAYAN FLOUR MILLS BHD	1/6/2022	Trading Buy	0.64	0.72	0.55	13%	-13%	1.00x	0.68	0.61	0.61	Open	
NTPM HOLDINGS BHD	1/6/2022	Trading Buy	0.46	0.50	0.41	10%	-10%	1.00x	0.47	0.44	0.44	Open	
BUMI ARMADA BERHAD	2/6/2022	Trading Buy	0.46	0.51	0.41	11%	-11%	1.00x	0.46	0.41	0.41	SL Hit	13/6/2022
OPTIMAX HOLDINGS BHD	2/6/2022	Trading Buy	0.62	0.69	0.55	11%	-11%	1.00x	0.62	0.56	0.57	Open	
HARBOUR-LINK GROUP BHD	3/6/2022	Trading Buy	1.35	1.52	1.21	13%	-10%	1.21x	1.45	1.20	1.33	SL Hit	13/6/2022
HENG HUAT RESOURCES GROUP BH	3/6/2022	Trading Buy	0.36	0.41	0.32	13%	-11%	1.13x	0.37	0.30	0.32	SL Hit	13/6/2022
AEON CO (M) BHD	8/6/2022	Trading Buy	1.56	1.74	1.38	12%	-12%	1.00x	1.58	1.43	1.44	Open	
COASTAL CONTRACTS BHD	8/6/2022	Trading Buy	1.94	2.19	1.70	13%	-12%	1.04x	2.03	1.70	1.73	SL Hit	16/6/2022
EMICO HOLDINGS BHD	9/6/2022	Trading Buy	0.34	0.39	0.30	13%	-13%	1.00x	0.34	0.27	0.27	SL Hit	13/6/2022
SKP RESOURCES BHD	9/6/2022	Trading Buy	1.65	1.87	1.43	13%	-13%	1.00x	1.70	1.52	1.57	Open	
MESTRON HOLDINGS BHD	10/6/2022	Trading Buy	0.35	0.39	0.31	13%	-10%	1.29x	0.35	0.33	0.34	Open	
SUNZEN BIOTECH BHD	10/6/2022	Trading Buy	0.25	0.28	0.22	12%	-12%	1.00x	0.26	0.24	0.26	Open	
DIGI.COM BHD	14/6/2022	Trading Buy	3.10	3.40	2.83	10%	-9%	1.11x	3.26	3.10	3.25	Open	
MAXIS BHD	14/6/2022	Trading Buy	3.28	3.60	2.94	10%	-10%	0.94x	3.31	3.18	3.29	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.

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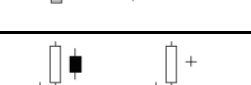
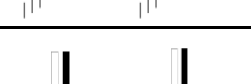


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JAYA TIASA HOLDINGS BHD	15/6/2022	Trading Buy	0.70	0.78	0.63	11%	-10%	1.14x	0.70	0.66	0.69	Open	
AFFIN BANK BHD	15/6/2022	Trading Buy	1.92	2.10	1.74	9%	-9%	1.00x	1.97	1.88	1.94	Open	
GUAN CHONG BHD	16/6/2022	Trading Buy	2.55	2.83	2.29	11%	-10%	1.06x	2.53	2.43	2.47	Open	
SEDANIA INNOVATOR BHD	16/6/2022	Trading Buy	0.42	0.50	0.35	20%	-17%	1.21x	0.44	0.39	0.40	Open	






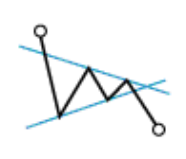

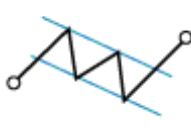


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Technical Terms:

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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