

28 July 2022

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Daily technical highlights – (BONIA, OWG)

Daily Charting – BONIA (Trading Buy)



About the Stock:		Key Support & Resistance Levels	
Name	: Bonia Corporation Bhd	52 Week High/Low	: 2.86/0.80
Bursa Code	: BONIA	3-m Avg. Daily Vol.	: 874,060
CAT Code	: 9288	Free Float (%)	: 25%
Market Cap	: RM444.9m	Beta vs. KLCI	: 1.1
		Last Price	: RM2.22
		Resistance	: RM2.60 (R1) RM2.83 (R2)
		Stop Loss	: RM1.84

Bonia Corporation Bhd (Trading Buy)

- BONIA's share price has pulled back from a peak of RM2.86 in May 2022 that was followed by a recent rebound from a low of RM1.77 before closing at RM2.22 yesterday.
- On the chart, the stock is expected to climb further as: (i) the MACD line has crossed over the signal line, (ii) the DMI Plus has cut above the DMI Minus, and (iii) the Parabolic SAR is showing an uptrend signal.
- Thus, the stock could rise further and challenge our resistance levels of RM2.60 (R1; 17% upside potential) and RM2.83 (R2; 27% upside potential).
- We have pegged our stop loss price set at RM1.84, which translates to a downside risk of 17%.
- Business-wise, BONIA is involved in the design, manufacturing, retailing and wholesale of leatherwear, footwear, men's apparel and accessories.
- Fundamental-wise, BONIA reported a net profit of RM14.8m in 3QFY22 (-36% QoQ) which brought 9MFY22 net profit to RM32.9m (+128% YoY), lifted by the reopening of economic activities and strong consumer spending during the festive seasons.
- Based on consensus forecasts, the group is expected to record a net profit of RM36.7m in FY June 2022 and RM43.8m in FY June 2023, translating to forward PERs of 12.1x and 10.1x, respectively.
- BONIA's balance sheet is backed by net cash holdings and short-term funds of RM49.7m (translating to 24.8 sen per share) as of end-March 2022.

Daily Chating – OWG (Trading Buy)



About the Stock:		Key Support & Resistance Levels	
Name	: Only World Group Holdings Bhd	52 Week High/Low	: 0.70/0.42
Bursa Code	: OWG	3-m Avg. Daily Vol.	: 1,397,524
CAT Code	: 5260	Free Float (%)	: 32%
Market Cap	: RM224.0m	Beta vs. KLCI	: 1.1
		Last Price	: RM0.52
		Resistance	: RM0.58 (R1) RM0.62 (R2)
		Stop Loss	: RM0.465

Only World Group Holdings Bhd (Trading Buy)

- After a bounce-off from a low at RM0.425 to form a double-bottom reversal pattern in January and July 2022, the recent formation of bullish candlesticks has indicated the return of buying interest in OWG shares.
- On the chart, the upward momentum will likely continue based on the positive technical signals arising from: (i) the rising Parabolic SAR trend, and (ii) the DMI Plus crossing above the DMI Minus.
- Thus, we believe that OWG's share price could climb towards our resistance thresholds of RM0.58 (R1) and RM0.62 (R2), representing upside potentials of 12% and 19%, respectively.
- Our stop loss price is set at RM0.465 (or a downside risk of 11%).
- OWG is engaged in the provision of leisure and hospitality services focussing on three key segments: (i) food services, (ii) amusement, and (iii) recreation operations.
- Earnings-wise, the group has turned around with a slight net profit of RM0.04m in 3QFY22 (vs net loss of RM0.4m in 2QFY22 and net loss of RM14.1m in 3QFY21), which brought its 9MFY22 to a net loss of RM11.2m.

28 July 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 RM	Status [^]	Date Status Fulfilled
			RM	RM	RM	%	%		RM	RM			
V.S. INDUSTRY BERHAD	28/6/2022	Trading Buy	1.00	1.11	0.88	12%	-12%	1.00x	1.00	0.92	0.98	Open	
SUNWAY BHD	28/6/2022	Trading Buy	1.66	1.81	1.51	9%	-9%	1.00x	1.70	1.56	1.64	Open	
SWIFT HAULAGE BHD	29/6/2022	Trading Buy	0.51	0.56	0.45	11%	-11%	1.00x	0.52	0.43	0.48	SL Hit	6/7/2022
PIE INDUSTRIAL BHD	29/6/2022	Trading Buy	3.16	3.54	2.82	12%	-11%	1.12x	3.38	2.68	3.38	SL Hit	4/7/2022
FIAMMA HOLDINGS BERHAD	30/6/2022	Trading Buy	0.84	0.96	0.72	14%	-14%	1.00x	0.95	0.80	0.93	Open	
DUOPHARMA BIOTECH BHD	30/6/2022	Trading Buy	1.17	1.35	1.02	15%	-13%	1.20x	1.44	1.12	1.44	TP Hit	20/7/2022
FRONTKEN CORP BHD	1/7/2022	Trading Buy	2.29	2.60	2.06	14%	-10%	1.35x	2.67	2.08	2.67	TP Hit	27/7/2022
SOLARVEST HOLDINGS BHD	1/7/2022	Trading Buy	0.66	0.78	0.59	18%	-11%	1.71x	0.75	0.63	0.74	Open	
ELK-DESA RESOURCES	5/7/2022	Trading Buy	1.28	1.41	1.16	10%	-9%	1.08x	1.30	1.27	1.28	Open	
KUMPULAN PERANGSANG SELANGOR	5/7/2022	Trading Buy	0.69	0.76	0.63	10%	-9%	1.17x	0.75	0.68	0.70	Open	
SAM ENGINEERING & EQUIPMENT	6/7/2022	Trading Buy	3.02	3.35	2.73	11%	-10%	1.14x	3.10	2.76	2.92	Open	
DIALOG GROUP BHD	6/7/2022	Trading Buy	2.07	2.27	1.88	10%	-9%	1.05x	2.15	1.97	2.13	Open	
AURELIUS TECHNOLOGIES BHD	7/7/2022	Trading Buy	1.36	1.55	1.20	14%	-12%	1.19x	1.48	1.36	1.47	Open	
AXIATA GROUP BERHAD	7/7/2022	Trading Buy	2.65	2.97	2.38	12%	-10%	1.19x	2.76	2.61	2.71	Open	
TSH RESOURCES BHD	8/7/2022	Trading Buy	0.97	1.07	0.87	10%	-10%	1.00x	1.04	0.92	1.02	Open	
MR DIY GROUP M BHD	8/7/2022	Trading Buy	2.06	2.25	1.87	9%	-9%	1.00x	2.20	2.00	2.20	Open	
KPJ HEALTHCARE BERHAD	13/7/2022	Trading Buy	0.82	0.90	0.73	10%	-10%	1.00x	0.87	0.82	0.85	Open	
UEM EDGENTA BHD	13/7/2022	Trading Buy	1.28	1.39	1.18	9%	-8%	1.10x	1.31	1.26	1.29	Open	
KOBAY TECHNOLOGY BHD	14/7/2022	Trading Buy	2.50	2.90	2.18	16%	-13%	1.25x	2.77	2.44	2.76	Open	
MY EG SERVICES BHD	14/7/2022	Trading Buy	0.80	0.93	0.69	16%	-14%	1.14x	0.82	0.73	0.75	Open	
HEXTAR GLOBAL BHD	15/7/2022	Trading Buy	1.70	1.95	1.45	15%	-15%	1.00x	1.78	1.65	1.74	Open	
FGV HOLDINGS BHD	15/7/2022	Trading Buy	1.53	1.79	1.27	17%	-17%	1.00x	1.56	1.49	1.51	Open	
AEON CO (M) BHD	19/7/2022	Trading Buy	1.36	1.53	1.19	13%	-13%	1.00x	1.42	1.33	1.42	Open	
GHL SYSTEMS BERHAD	19/7/2022	Trading Buy	1.20	1.36	1.07	13%	-11%	1.23x	1.25	1.18	1.20	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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STOCK CALL MONITOR* (Cont')

Stock Name	Issue Date (ID)	Rating	Price @ ID RM	Target Price (TP) RM	Stop Loss Price (SL) RM	Upside Potential @ ID %	Downside Risk @ ID %	Risk to Reward Ratio	Highest Price since ID RM	Lowest Price since ID RM	Last Price RM	Status [^]	Date Status Fulfilled
MALAYSIA BUILDING SOCIETY	20/7/2022	Trading Buy	0.56	0.61	0.51	10%	-8%	1.22x	0.58	0.56	0.58	Open	
EP MANUFACTURING BERHAD	20/7/2022	Trading Buy	0.97	1.08	0.86	11%	-11%	1.00x	0.99	0.88	0.90	Open	
INARI AMERTRON BHD	21/7/2022	Trading Buy	2.67	2.94	2.40	10%	-10%	1.00x	2.79	2.66	2.78	Open	
MAGNI-TECH INDUSTRIES BHD	21/7/2022	Trading Buy	1.85	2.03	1.67	10%	-10%	1.00x	1.92	1.85	1.86	Open	
ANN JOO RESOURCES BHD	22/7/2022	Trading Buy	1.05	1.22	0.92	16%	-12%	1.31x	1.09	1.02	1.05	Open	
SEDANIA INNOVATOR BHD	22/7/2022	Trading Buy	0.43	0.50	0.38	16%	-12%	1.40x	0.44	0.41	0.42	Open	
TUNE PROTECT GROUP BHD	26/7/2022	Trading Buy	0.35	0.38	0.31	10%	-10%	1.00x	0.36	0.35	0.36	Open	
LYC HEALTHCARE BHD	26/7/2022	Trading Buy	0.20	0.23	0.17	18%	-13%	1.40x	0.20	0.19	0.19	Open	
MUDAJAYA GROUP BHD	27/7/2022	Trading Buy	0.18	0.21	0.16	17%	-14%	1.20x	0.19	0.18	0.18	Open	
GFM SERVICES BHD	27/7/2022	Trading Buy	0.18	0.21	0.16	17%	-14%	1.20x	0.18	0.18	0.18	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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