

27 July 2022

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Daily technical highlights – (MUDAJYA, GFM)

Daily Charting – MUDAJYA (Trading Buy)



About the Stock:		Key Support & Resistance Levels	
Name	: Mudajaya Group Bhd	52 Week High/Low	: 0.255/0.17
Bursa Code	: MUDAJYA	3-m Avg. Daily Vol.	: 673,469
CAT Code	: 5085	Free Float (%)	: 22.0
Market Cap	: RM233.6m	Beta vs. KLCI	: 1.0
		Last Price	: RM0.18
		Resistance	: RM0.21 (R1) RM0.24 (R2)
		Stop Loss	: RM0.155

Mudajaya Group Bhd (Trading Buy)

- After swinging down and up and down again to be back to where it was in mid-March this year, MUDAJYA's share price is poised to shift higher ahead.
- Essentially, a technical rebound may be due as both the stochastic and RSI indicators are in the midst of climbing out from the oversold zone.
- With that, the stock could be on its way to challenge our resistance targets of RM0.21 (R1) and RM0.24 (R2), offering upside potentials of 17% and 33%, respectively.
- We have set our stop loss price level at RM0.155 (representing a downside risk of 14% from yesterday's close of RM0.18).
- Earnings-wise, MUDAJYA – which is principally involved in four core businesses, namely construction, property development, trading & manufacturing of construction materials as well as power generation – has turned around with net profit of RM6.4m in FY December 2021 (from net loss of RM47.9m in FY20). The positive earnings momentum continued when its bottomline came in at RM1.4m in 1QFY22 (versus net loss of RM3.6m in 1QFY21).
- In terms of corporate developments, the group has recently announced: (i) the award of a contract (valued at RM104m) to undertake the construction of earthworks and associated works for a gas power plant in Gurun, Kedah, and (ii) the proposed acquisition of a 100% stake in Real Jade Limited (which is involved in the manufacturing and sales of cement & clinker and trading of cement in China) for an indicative cash consideration of HKD400m (RM224.3m).

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Daily Charting – GFM (Trading Buy)



About the Stock:		Key Support & Resistance Levels	
Name	: GFM Services Bhd	52 Week High/Low	: 0.285/0.17
Bursa Code	: GFM	3-m Avg. Daily Vol.	: 817,210
CAT Code	: 0039	Free Float (%)	: 45.8
Market Cap	: RM103.6m	Beta vs. KLCI	: 1.2
		Last Price	: RM0.18
		Resistance	: RM0.21 (R1) RM0.25 (R2)
		Stop Loss	: RM0.155

GFM Services Bhd (Trading Buy)

- After falling from a peak of RM0.50 in mid-March last year to RM0.18 currently, GFM shares may bounce off a key support line (at RM0.17) that stretches back to end-April 2020.
- On the chart, the share price is expected to ride on the strengthening momentum as the stochastic indicator reverses from an oversold position.
- Hence, the stock will probably climb towards our resistance thresholds of RM0.21 (R1; 17% upside potential) and RM0.25 (R2; 39% upside potential).
- Our stop loss price level is pegged at RM0.155 (or a 14% downside risk).
- Business-wise, GFM is a service provider offering a one-stop integrated facilities management solutions.
- After registering net profit of RM10.0m (+17% YoY) in FY December 2021, the group subsequently logged net earnings of RM2.6m (+4%) in 1QFY22.
- On the corporate news front, GFM has recently secured a 5-year contract worth RM367.2m to provide facilities management services for Istana Negara in Kuala Lumpur, thus boosting its outstanding orderbook to RM1.4b.

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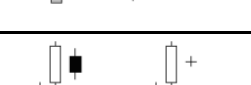
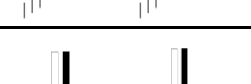


STOCK CALL MONITOR*

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 [^]	Date Status Fulfilled
			RM	RM	RM	%	%		RM	RM			
V.S. INDUSTRY BERHAD	6/28/2022	Trading Buy	1.00	1.11	0.88	12%	-12%	1.00x	1.00	0.92	0.97	Open	
SUNWAY BHD	6/28/2022	Trading Buy	1.66	1.81	1.51	9%	-9%	1.00x	1.70	1.56	1.62	Open	
SWIFT HAULAGE BHD	6/29/2022	Trading Buy	0.51	0.56	0.45	11%	-11%	1.00x	0.52	0.43	0.48	SL Hit	7/6/2022
PIE INDUSTRIAL BHD	6/29/2022	Trading Buy	3.16	3.54	2.82	12%	-11%	1.12x	3.33	2.68	3.30	SL Hit	7/4/2022
FIAMMA HOLDINGS BERHAD	6/30/2022	Trading Buy	0.84	0.96	0.72	14%	-14%	1.00x	0.95	0.80	0.94	Open	
DUOPHARMA BIOTECH BHD	6/30/2022	Trading Buy	1.17	1.35	1.02	15%	-13%	1.20x	1.42	1.12	1.42	TP Hit	7/20/2022
FRONTKEN CORP BHD	7/1/2022	Trading Buy	2.29	2.60	2.06	14%	-10%	1.35x	2.56	2.08	2.50	Open	
SOLARVEST HOLDINGS BHD	7/1/2022	Trading Buy	0.66	0.78	0.59	18%	-11%	1.71x	0.75	0.63	0.75	Open	
ELK-DESA RESOURCES	7/5/2022	Trading Buy	1.28	1.41	1.16	10%	-9%	1.08x	1.30	1.27	1.28	Open	
KUMPULAN PERANGSANG SELANGOR	7/5/2022	Trading Buy	0.69	0.76	0.63	10%	-9%	1.17x	0.75	0.68	0.72	Open	
SAM ENGINEERING & EQUIPMENT	7/6/2022	Trading Buy	3.02	3.35	2.73	11%	-10%	1.14x	3.10	2.76	2.94	Open	
DIALOG GROUP BHD	7/6/2022	Trading Buy	2.07	2.27	1.88	10%	-9%	1.05x	2.15	1.97	2.07	Open	
AURELIUS TECHNOLOGIES BHD	7/7/2022	Trading Buy	1.36	1.55	1.20	14%	-12%	1.19x	1.47	1.36	1.42	Open	
AXIATA GROUP BERHAD	7/7/2022	Trading Buy	2.65	2.97	2.38	12%	-10%	1.19x	2.76	2.61	2.70	Open	
TSH RESOURCES BHD	7/8/2022	Trading Buy	0.97	1.07	0.87	10%	-10%	1.00x	1.04	0.92	1.00	Open	
MR DIY GROUP M BHD	7/8/2022	Trading Buy	2.06	2.25	1.87	9%	-9%	1.00x	2.17	2.00	2.16	Open	
KPJ HEALTHCARE BERHAD	7/13/2022	Trading Buy	0.82	0.90	0.73	10%	-10%	1.00x	0.87	0.82	0.84	Open	
UEM EDGENTA BHD	7/13/2022	Trading Buy	1.28	1.39	1.18	9%	-8%	1.10x	1.31	1.26	1.29	Open	
KOBAY TECHNOLOGY BHD	7/14/2022	Trading Buy	2.50	2.90	2.18	16%	-13%	1.25x	2.72	2.44	2.66	Open	
MY EG SERVICES BHD	7/14/2022	Trading Buy	0.80	0.93	0.69	16%	-14%	1.14x	0.82	0.73	0.76	Open	
HEXTAR GLOBAL BHD	7/15/2022	Trading Buy	1.70	1.95	1.45	15%	-15%	1.00x	1.78	1.65	1.74	Open	
FGV HOLDINGS BHD	7/15/2022	Trading Buy	1.53	1.79	1.27	17%	-17%	1.00x	1.56	1.50	1.51	Open	
AEON CO (M) BHD	7/19/2022	Trading Buy	1.36	1.53	1.19	13%	-13%	1.00x	1.41	1.33	1.39	Open	
GHL SYSTEMS BERHAD	7/19/2022	Trading Buy	1.20	1.36	1.07	13%	-11%	1.23x	1.23	1.18	1.21	Open	
MALAYSIA BUILDING SOCIETY	7/20/2022	Trading Buy	0.56	0.61	0.51	10%	-8%	1.22x	0.58	0.56	0.58	Open	
EP MANUFACTURING BERHAD	7/20/2022	Trading Buy	0.97	1.08	0.86	11%	-11%	1.00x	0.99	0.88	0.90	Open	
INARI AMERTRON BHD	7/21/2022	Trading Buy	2.67	2.94	2.40	10%	-10%	1.00x	2.77	2.66	2.71	Open	
MAGNI-TECH INDUSTRIES BHD	7/21/2022	Trading Buy	1.85	2.03	1.67	10%	-10%	1.00x	1.92	1.85	1.88	Open	
ANN JOO RESOURCES BHD	7/22/2022	Trading Buy	1.05	1.22	0.92	16%	-12%	1.31x	1.09	1.04	1.06	Open	
SEDANIA INNOVATOR BHD	7/22/2022	Trading Buy	0.43	0.50	0.38	16%	-12%	1.40x	0.44	0.41	0.42	Open	
TUNE PROTECT GROUP BHD	7/26/2022	Trading Buy	0.35	0.38	0.31	10%	-10%	1.00x	0.36	0.35	0.36	Open	
LYC HEALTHCARE BHD	7/26/2022	Trading Buy	0.20	0.23	0.17	18%	-13%	1.40x	0.20	0.19	0.20	Open	



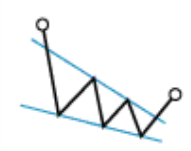




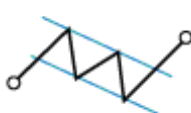


* Tracks our stock recommendations on a one-month rolling basis from issue date. Stock names will drop out from the list after one month from issue date regardless of their status.

[^] 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.

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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