

16 August 2022

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Daily technical highlights – (OMESTIC, CUSCAPI)

Daily Charting – OMESTI (Trading Buy)



About the Stock:		Key Support & Resistance Levels	
Name	: Omesti Bhd	52 Week High/Low	: 0.485/0.335
Bursa Code	: OMESTI	3-m Avg. Daily Vol.	: 467,379
CAT Code	: 9008	Free Float (%)	: 58.6
Market Cap	: RM203.0m	Beta vs. KLCI	: 0.8
		Last Price	: RM0.38
		Resistance	: RM0.43 (R1) RM0.47 (R2)
		Stop Loss	: RM0.33

Omesti Bhd (Trading Buy)

- A rounding bottom formation could be in the making as OMESTI shares gradually turn up after oscillating in a sideways pattern since mid-March this year.
- On the chart, after overcoming the 100-day SMA and with the Parabolic SAR indicator signalling an uptrend, the share price is expected to advance towards our resistance thresholds of RM0.43 (R1) and RM0.47 (R2), which offer upside potentials of 13% and 24%, respectively.
- Our stop loss price level is pegged at RM0.33 (representing a downside risk of 13% from yesterday's closing price of RM0.38).
- Comprising a grouping of ICT companies, OMESTI's business focus is to assist clients achieve their digital transformation strategies via the provision of information technology services in terms of hardware, software, consultancy and maintenance mostly to the telecommunication, oil & gas and government sectors.
- The group's performance – which saw net loss of RM20.2m in FY March 2022 (versus net loss of RM1.2m previously) – has been hit mainly by the impact of the COVID-19 pandemic as well as rising costs and supply chain disruptions. Nonetheless, the worst may probably be over as economic activities gather pace going forward.
- In terms of valuations, based on its book value per share of RM0.36 as of end-March 2022, the stock is currently trading at Price/Book Value multiple of 1.06x (or just below the minus 1 SD level from its historical mean).

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Daily Charting – CUSCAPI (Trading Buy)



About the Stock:		Key Support & Resistance Levels	
<b>Name</b>	: Cuscapi Bhd	<b>52 Week High/Low</b>	: 0.49/0.205
<b>Bursa Code</b>	: CUSCAPI	<b>3-m Avg. Daily Vol.</b>	: 3,212,011
<b>CAT Code</b>	: 0051	<b>Free Float (%)</b>	: 40.6
<b>Market Cap</b>	: RM226.8m	<b>Beta vs. KLCI</b>	: 1.2
		<b>Last Price</b>	: RM0.24
		<b>Resistance</b>	: RM0.28 (R1) RM0.32 (R2)
		<b>Stop Loss</b>	: RM0.20

Cuscapi Bhd (Trading Buy)

- After bouncing off from a recent low of RM0.215, which is near a key support line that stretches back to the beginning of March last year, CUSCAPI’s share price may attempt to plot a trend reversal ahead.
- Following the recent appearance of bullish dragonfly doji candlesticks and on the back of the strengthening MACD signal, the stock could be on its way to challenge our resistance targets of RM0.28 (R1; 17% upside potential) and RM0.32 (R2; 33% upside potential).
- We have placed our stop loss price level at RM0.20 (or a 17% downside risk from its last traded price of RM0.24).
- CUSCAPI is primarily involved in the provision of: (i) restaurant management solutions, offering a comprehensive range of integrated services such as outlet management solutions, information technology security solutions, IT consulting services and contact centre outsourcing services, and (ii) IT solutions to businesses across various industries, including retail, hospitality and automotive.
- The group saw a reduction in net loss to RM1.2m in 3QFY22 (from RM3.7m in 3QFY21), thus narrowing its 9MFY22 net loss to RM2.5m (versus -RM10.0m previously).
- Financially stable, CUSCAPI’s debt-free balance sheet is backed by cash holdings of RM17.2m (or 1.8 sen per share) as of end-March 2022.
- Based on its book value per share of RM0.087 as of end-March 2022, the stock is presently trading at Price/Book Value multiple of 2.76x (or around its historical mean).

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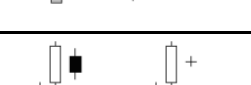
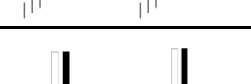


## STOCK CALL MONITOR\*

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			
AEON CO (M) BHD	19/07/2022	Trading Buy	1.36	1.53	1.19	13%	-13%	1.00x	1.46	1.33	1.45	Open	
GHL SYSTEMS BERHAD	19/07/2022	Trading Buy	1.20	1.36	1.07	13%	-11%	1.23x	1.30	1.14	1.21	Open	
MALAYSIA BUILDING SOCIETY	20/07/2022	Trading Buy	0.56	0.61	0.51	10%	-8%	1.22x	0.61	0.56	0.59	TP Hit	12/08/2022
EP MANUFACTURING BERHAD	20/07/2022	Trading Buy	0.97	1.08	0.86	11%	-11%	1.00x	0.99	0.88	0.95	Open	
INARI AMERTRON BHD	21/07/2022	Trading Buy	2.67	2.94	2.40	10%	-10%	1.00x	2.96	2.66	2.92	TP Hit	04/08/2022
MAGNI-TECH INDUSTRIES BHD	21/07/2022	Trading Buy	1.85	2.03	1.67	10%	-10%	1.00x	1.92	1.85	1.90	Open	
ANN JOO RESOURCES BHD	22/07/2022	Trading Buy	1.05	1.22	0.92	16%	-12%	1.31x	1.25	1.02	1.15	TP Hit	01/08/2022
SEDANIA INNOVATOR BHD	22/07/2022	Trading Buy	0.43	0.50	0.38	16%	-12%	1.40x	0.47	0.35	0.35	SL Hit	03/08/2022
TUNE PROTECT GROUP BHD	26/07/2022	Trading Buy	0.35	0.38	0.31	10%	-10%	1.00x	0.38	0.35	0.37	TP Hit	12/08/2022
LYC HEALTHCARE BHD	26/07/2022	Trading Buy	0.20	0.23	0.17	18%	-13%	1.40x	0.20	0.17	0.19	SL Hit	15/08/2022
MUDAJAYA GROUP BHD	27/07/2022	Trading Buy	0.18	0.21	0.16	17%	-14%	1.20x	0.20	0.18	0.18	Open	
GFM SERVICES BHD	27/07/2022	Trading Buy	0.18	0.21	0.16	17%	-14%	1.20x	0.19	0.18	0.18	Open	
BONIA CORP BHD	28/07/2022	Trading Buy	2.22	2.60	1.84	17%	-17%	1.00x	2.33	2.03	2.22	Open	
ONLY WORLD GROUP HOLDINGS BH	28/07/2022	Trading Buy	0.52	0.58	0.47	12%	-11%	1.09x	0.55	0.50	0.51	Open	
POWER ROOT BHD	29/07/2022	Trading Buy	1.80	2.02	1.59	12%	-12%	1.05x	1.81	1.61	1.76	Open	
SKP RESOURCES BHD	29/07/2022	Trading Buy	1.63	1.84	1.42	13%	-13%	1.00x	1.67	1.52	1.64	Open	
MALAYSIA STEEL WORKS KL BHD	02/08/2022	Trading Buy	0.31	0.34	0.27	11%	-11%	1.00x	0.31	0.29	0.29	Open	
LEON FUAT BHD	02/08/2022	Trading Buy	0.55	0.61	0.48	12%	-12%	1.00x	0.58	0.52	0.55	Open	
KIM HIN JOO BHD	03/08/2022	Trading Buy	0.21	0.25	0.17	20%	-17%	1.14x	0.21	0.21	0.21	Open	
OM HOLDINGS LTD	03/08/2022	Trading Buy	2.08	2.40	1.78	15%	-14%	1.07x	2.11	1.93	2.07	Open	
FOUNDPAC GROUP BHD	04/08/2022	Trading Buy	0.54	0.62	0.46	16%	-14%	1.13x	0.57	0.49	0.53	Open	
TEXCHEM RESOURCES BERHAD	04/08/2022	Trading Buy	2.94	3.27	2.63	11%	-11%	1.05x	3.77	2.89	3.77	TP Hit	11/08/2022
LOTTE CHEMICAL TITAN HOLDING	05/08/2022	Trading Buy	1.81	2.00	1.62	10%	-10%	1.00x	1.83	1.71	1.72	Open	
NCT ALLIANCE BHD	05/08/2022	Trading Buy	0.42	0.47	0.37	12%	-12%	1.00x	0.45	0.40	0.43	Open	
POH HUAT RESOURCES HLDGS BHD	09/08/2022	Trading Buy	1.35	1.51	1.21	12%	-10%	1.14x	1.38	1.32	1.33	Open	
MIECO CHIPBOARD BERHAD	09/08/2022	Trading Buy	0.58	0.64	0.52	11%	-10%	1.18x	0.58	0.55	0.56	Open	
HIBISCUS PETROLEUM BHD	10/08/2022	Trading Buy	0.84	0.92	0.75	10%	-10%	1.00x	0.87	0.81	0.85	Open	
YTL CORP BHD	10/08/2022	Trading Buy	0.56	0.62	0.50	12%	-10%	1.18x	0.57	0.55	0.57	Open	
SIGNATURE INTERNATIONAL BHD	11/08/2022	Trading Buy	1.45	1.62	1.29	12%	-11%	1.06x	1.54	1.41	1.54	Open	
SOLARVEST HOLDINGS BHD	11/08/2022	Trading Buy	0.78	0.87	0.68	12%	-12%	1.00x	0.80	0.74	0.74	Open	
MI TECHNOVATION BHD	12/08/2022	Trading Buy	1.42	1.63	1.22	15%	-14%	1.05x	1.46	1.40	1.40	Open	
REVENUE GROUP BHD	12/08/2022	Trading Buy	1.00	1.14	0.87	14%	-13%	1.08x	1.01	0.98	0.99	Open	



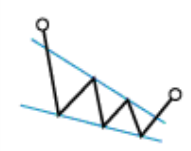


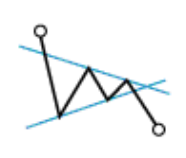

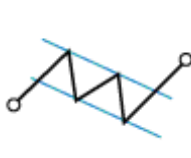


\* Tracks our stock recommendations on a one-month rolling basis from issue date. Stock names will drop out from the list after one month from issue date regardless of their status.

<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.

**Technical Terms:**

Reversal Candlesticks	Patterns	Description
<b>Doji</b> <b>Dragonfly Doji</b> (Bullish) <b>Gravestone Doji</b> (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.
<b>Engulfing Pattern</b>		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.
<b>Hammer</b> (Bullish) <b>Shooting Star</b> (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.
<b>Inverted Hammer</b> (Bullish) <b>Hanging Man</b> (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.
<b>Harami</b> <b>Harami Cross</b>		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.
<b>Marubozu</b>		A Marubozu candlestick has no shadow extending from the body at either the open, the close or at both.
<b>Morning Doji Star</b> (Bullish) <b>Evening Doji Star</b> (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.
<b>Spinning Top</b>		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	<b>Inverted Head &amp; Shoulders</b> (Bullish)	<b>Head &amp; Shoulders</b> (Bearish)	<b>Wedge Reversal</b> (Bullish/ Bearish)	<b>Double Top</b> (Bearish)	<b>Double Bottom</b> (Bullish)
					
Continuation Patterns	<b>Symmetrical Triangle</b> (Bullish/ Bearish)	<b>Ascending Triangle</b> (Bullish)	<b>Channels</b> (Bullish/ Bearish)	<b>Flags</b> (Bullish/ Bearish)	<b>Pennant</b> (Bullish/ Bearish)
					

Source: Various

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