

18 August 2022

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Daily technical highlights – (PEKAT, RANHILL)

Daily Charting – PEKAT (Trading Buy)



About the Stock:		Key Support & Resistance Levels		
Name	: Pekat Group Berhad	52 Week High/Low	: 0.83/0.41	
Bursa Code	: PEKAT	3-m Avg. Daily Vol.	: 779,802	
CAT Code	: 0233	Free Float (%)	: N.A.	
Market Cap	: RM319.3m	Beta vs. KLCI	: N.A.	
		Last Price	: RM0.495	
		Resistance	: RM0.56 (R1) RM0.61 (R2)	
		Stop Loss	: RM0.43	

Pekat Group Bhd (Trading Buy)

- Listed in June 2021, PEKAT's share price has slid by 43% from a recent high of RM0.71 in April 2022 before staging a rebound from the support level of RM0.405 in mid-July.
- On the chart, we expect the upward momentum to continue backed by: (i) the rising Parabolic SAR trend, (ii) the DMI Plus crossing above the DMI Minus, and (iii) the bullish MACD signal after crossing above the zero line.
- Hence, the stock could rise to challenge our resistance levels of RM0.56 (R1; 13% upside potential) and RM0.61 (R2; 23% upside potential).
- We have pegged our stop loss at RM0.43, representing a downside risk of 13%.
- PEKAT is involved in the design, supply and installation of solar PV (photovoltaic) systems in Malaysia.
- Earnings-wise, after making RM12.7m (-7% YoY) in FY December 2021, the group subsequently recorded net profit of RM4.4m (-25% QoQ, -3% YoY) in 1QFY22, dragged by upfront costs relating to new projects that typically require preliminary assessment and works on sites to be carried out before the delivery and installation of solar panels.

18 August 2022

Daily Chating – RANHILL (Trading Buy)



About the Stock:

Name : RANHILL Utilities Bhd
Bursa Code : RANHILL
CAT Code : 5272
Market Cap : RM592.8m

52 Week High/Low : 0.72/0.38
3-m Avg. Daily Vol. : 588,537
Free Float (%) : 46%
Beta vs. KLCI : 0.6

Key Support & Resistance Levels

Last Price : RM0.46
Resistance : RM0.52 (R1) RM0.57 (R2)
Stop Loss : RM0.40

Ranhill Utilities Bhd (Trading Buy)

- RANHILL's share price has broken out from a consolidation stage (that was ranging between RM0.38 and RM0.405 from July to August 2022), bouncing off with the formation of bullish candlesticks in recent days to close at RM0.46 yesterday.
- On the back of the rising Parabolic SAR trend and positive crossover by the DMI Plus over the DMI Minus, we anticipate the stock will continue to climb further ahead.
- Therefore, the stock could rise to challenge our resistance levels of RM0.52 (R1; 13% upside potential) and RM0.57 (R2; 24% upside potential).
- We have pegged our stop loss at RM0.40, representing a downside risk of 13%.
- RANHILL is an operator of water utility network, providing water supply, waste water treatment and clean energy services.
- Based on its latest 1QFY22 results, RANHILL reported net profit of RM7.4m (+29% QoQ, +1% YoY) after making net earnings of RM30.6m (-19% YoY) in FY December 2021.
- Going forward, consensus is forecasting RANHILL to report net profit of RM41.4m in FY December 2022 and RM52.5m in FY December 2023, which translate to forward PERs of 14.4x and 11.2x, respectively.

18 August 2022

STOCK CALL MONITOR*

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
AEON CO (M) BHD	19/7/2022	Trading Buy	1.36	1.53	1.19	13%	-13%	1.00x	1.47	1.33	1.46	Open	
GHL SYSTEMS BERHAD	19/7/2022	Trading Buy	1.20	1.36	1.07	13%	-11%	1.23x	1.34	1.14	1.30	Open	
MALAYSIA BUILDING SOCIETY	20/7/2022	Trading Buy	0.56	0.61	0.51	10%	-8%	1.22x	0.61	0.56	0.60	TP Hit	12/8/2022
EP MANUFACTURING BERHAD	20/7/2022	Trading Buy	0.97	1.08	0.86	11%	-11%	1.00x	1.12	0.88	1.04	TP Hit	16/8/2022
INARI AMERTRON BHD	21/7/2022	Trading Buy	2.67	2.94	2.40	10%	-10%	1.00x	2.96	2.66	2.90	TP Hit	4/8/2022
MAGNI-TECH INDUSTRIES BHD	21/7/2022	Trading Buy	1.85	2.03	1.67	10%	-10%	1.00x	1.92	1.85	1.88	Open	
ANN JOO RESOURCES BHD	22/7/2022	Trading Buy	1.05	1.22	0.92	16%	-12%	1.31x	1.25	1.02	1.15	TP Hit	1/8/2022
SEDANIA INNOVATOR BHD	22/7/2022	Trading Buy	0.43	0.50	0.38	16%	-12%	1.40x	0.47	0.35	0.35	SL Hit	3/8/2022
TUNE PROTECT GROUP BHD	26/7/2022	Trading Buy	0.35	0.38	0.31	10%	-10%	1.00x	0.39	0.35	0.38	TP Hit	12/8/2022
LYC HEALTHCARE BHD	26/7/2022	Trading Buy	0.20	0.23	0.17	18%	-13%	1.40x	0.20	0.17	0.18	SL Hit	15/8/2022
MUDAJAYA GROUP BHD	27/7/2022	Trading Buy	0.18	0.21	0.16	17%	-14%	1.20x	0.20	0.18	0.18	Open	
GFM SERVICES BHD	27/7/2022	Trading Buy	0.18	0.21	0.16	17%	-14%	1.20x	0.19	0.18	0.18	Open	
BONIA CORP BHD	28/7/2022	Trading Buy	2.22	2.60	1.84	17%	-17%	1.00x	2.50	2.03	2.40	Open	
ONLY WORLD GROUP HOLDINGS BH	28/7/2022	Trading Buy	0.52	0.58	0.47	12%	-11%	1.09x	0.55	0.50	0.54	Open	
POWER ROOT BHD	29/7/2022	Trading Buy	1.80	2.02	1.59	12%	-12%	1.05x	1.81	1.61	1.79	Open	
SKP RESOURCES BHD	29/7/2022	Trading Buy	1.63	1.84	1.42	13%	-13%	1.00x	1.75	1.52	1.73	Open	
MALAYSIA STEEL WORKS KL BHD	2/8/2022	Trading Buy	0.31	0.34	0.27	11%	-11%	1.00x	0.31	0.29	0.30	Open	
LEON FUAT BHD	2/8/2022	Trading Buy	0.55	0.61	0.48	12%	-12%	1.00x	0.58	0.52	0.55	Open	
KIM HIN JOO BHD	3/8/2022	Trading Buy	0.21	0.25	0.17	20%	-17%	1.14x	0.21	0.20	0.21	Open	
OM HOLDINGS LTD	3/8/2022	Trading Buy	2.08	2.40	1.78	15%	-14%	1.07x	2.11	1.93	2.02	Open	
FOUNDPAC GROUP BHD	4/8/2022	Trading Buy	0.54	0.62	0.46	16%	-14%	1.13x	0.57	0.49	0.51	Open	
TEXCHEM RESOURCES BERHAD	4/8/2022	Trading Buy	2.94	3.27	2.63	11%	-11%	1.05x	3.93	2.89	3.66	TP Hit	11/8/2022
LOTTE CHEMICAL TITAN HOLDING	5/8/2022	Trading Buy	1.81	2.00	1.62	10%	-10%	1.00x	1.83	1.71	1.76	Open	
NCT ALLIANCE BHD	5/8/2022	Trading Buy	0.42	0.47	0.37	12%	-12%	1.00x	0.45	0.40	0.43	Open	
POH HUAT RESOURCES HLDGS BHD	9/8/2022	Trading Buy	1.35	1.51	1.21	12%	-10%	1.14x	1.38	1.31	1.33	Open	
MIECO CHIPBOARD BERHAD	9/8/2022	Trading Buy	0.58	0.64	0.52	11%	-10%	1.18x	0.58	0.55	0.58	Open	
HIBISCUS PETROLEUM BHD	10/8/2022	Trading Buy	0.84	0.92	0.75	10%	-10%	1.00x	0.87	0.81	0.85	Open	
YTL CORP BHD	10/8/2022	Trading Buy	0.56	0.62	0.50	12%	-10%	1.18x	0.57	0.55	0.56	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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18 August 2022




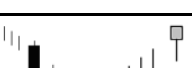


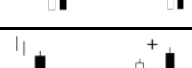

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SIGNATURE INTERNATIONAL BHD	11/8/2022	Trading Buy	1.45	1.62	1.29	12%	-11%	1.06x	1.56	1.41	1.44	Open	
SOLARVEST HOLDINGS BHD	11/8/2022	Trading Buy	0.78	0.87	0.68	12%	-12%	1.00x	0.80	0.73	0.74	Open	
MI TECHNOVATION BHD	12/8/2022	Trading Buy	1.42	1.63	1.22	15%	-14%	1.05x	1.46	1.26	1.27	Open	
REVENUE GROUP BHD	12/8/2022	Trading Buy	1.00	1.14	0.87	14%	-13%	1.08x	1.02	0.98	0.98	Open	
OMESTI BHD	16/8/2022	Trading Buy	0.38	0.43	0.33	13%	-13%	1.00x	0.39	0.38	0.39	Open	
CUSCAPI BHD	16/8/2022	Trading Buy	0.24	0.28	0.20	17%	-17%	1.00x	0.29	0.24	0.28	TP Hit	17/8/2022
OPCOM HOLDINGS BHD	17/8/2022	Trading Buy	0.87	0.98	0.76	13%	-13%	1.00x	0.88	0.86	0.86	Open	
DELEUM BERHAD	17/8/2022	Trading Buy	0.58	0.65	0.52	12%	-10%	1.17x	0.59	0.58	0.58	Open	

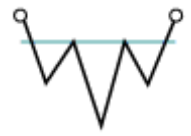
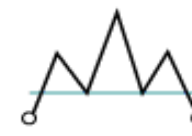
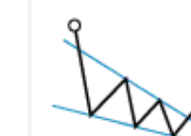

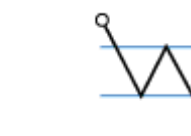
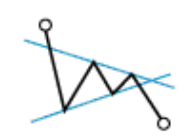

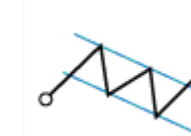
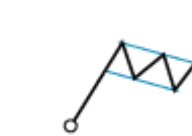

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Technical Terms:

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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Published and printed by:

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