

27 September 2022

By Tan Jia Hui | jhtan@kenanga.com.my

Daily technical highlights – (BONIA, SKPRES)

Daily Charting – BONIA (Technical Buy)



About the Stock:				Key Support & Resistance Levels			
Name	: Bonia Corp Bhd	52 Week High/Low	: 2.73/0.78	Last Price	: RM1.96		
Bursa Code	: BONIA	3-m Avg. Daily Vol.	: 563,219	Resistance	: RM2.25 (R1)	RM2.40 (R2)	
CAT Code	: 9288	Free Float (%)	: 24%	Stop Loss	: RM1.70		
Market Cap	: RM392.8m	Beta vs. KLCI	: 1.1				

Bonia Corp Bhd (Technical Buy)

- After a retracement from a recent high of RM2.54 on 26 August to close at RM1.96 yesterday following its intermediate support at RM1.90 last week, BONIA could bounce off from a positive sloping trendline that stretches back to mid-March this year.
- With the stochastic indicator likely to climb out from oversold zone and the appearance of a bullish dragonfly doji candlestick recently, an upward shift in the share price is anticipated.
- Riding on the technical strength, the stock is expected to challenge our target thresholds of RM2.25 (R1; 15% upside potential) and RM2.40 (R2; 22% upside potential).
- We have pegged our stop loss price level at RM1.70 (representing a downside risk of 13%).
- Business-wise, Bonia is involved in the design, manufacturing, retailing, and wholesale of leatherwear, footwear, men's apparel and accessories.
- Fundamental-wise, BONIA posted a net profit of RM17.9m in 4QFY22 (+43.2% QoQ) which brought full-year FY June 22 net profit to RM45m (+223% YoY), on the back of strong consumer spending after the global lockdown.
- Based on consensus forecasts, the group is expected to report a net profit of RM43.5m in FY June 2023 and RM 45.7m in FY June 2024, translating to forward PERs of 9.1x and 8.5x, respectively.

27 September 2022

Daily Charting – SKPRES (Technical Buy)



About the Stock:				Key Support & Resistance Levels	
Name	: SKP Resources Bhd	52 Week High/Low	: 2.34/1.17	Last Price	: RM1.70
Bursa Code	: SKPRES	3-m Avg. Daily Vol.	: 1,318,666	Resistance	: RM1.92 (R1) RM2.04 (R2)
CAT Code	: 7155	Free Float (%)	: 57%	Stop Loss	: RM1.50
Market Cap	: RM2,656.0m	Beta vs. KLCI	: 0.6		

SKP Resources Bhd (Technical Buy)

- A decline of 2.3% in SKPRES's share price may signal a timely opportunity for investors to position for an ensuing technical rebound.
- On the chart, continuing the price reversal from a recent low of RM1.43 on 7 July this year, SKPRES – which ended at RM1.70 yesterday after a reversal from Fibonacci Retracement principle's 38.2% level – could extend the positive trajectory ahead within the upward channel.
- The upward shift will likely be backed by bullish technical signals arising from the prevailing uptrend of the Parabolic SAR indicator and probable shift of %K line direction from bottom of stochastic.
- Thus, the stock is anticipated to climb further and challenge our resistance targets of RM1.92 (R1; 13% upside potential) and RM2.04 (R2; 20% upside potential).
- Our stop loss price level is set at RM1.50 (or a 12% downside risk).
- SKPRES – which is predominately engaged in manufacturing of plastic products and moulds at its plant in Malaysia reported a net profit of RM37.2m in 1QFY23 (+14% YoY).
- Going forward, consensus is forecasting SKPRES to report higher net profit of RM184.6m in FY March 2023 and RM212.4m in FY March 2024, which translate to forward PERs of 14.2x and 12.5x, respectively.

27 September 2022

STOCK CALL MONITOR*

Stock Name	Issue Date (ID)	Rating	Price @ ID RM	Resistance Price (R1) 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
ANCOM NYLEX BHD	26/8/2022	Technical Buy	0.96	1.06	0.87	10%	-9%	1.11x	1.04	0.90	0.97	Open	
VISDYNAMICS HOLDINGS BHD	26/8/2022	Technical Buy	0.78	0.85	0.70	10%	-10%	1.00x	0.82	0.65	0.65	SL Hit	2/9/2022
BANK ISLAM MALAYSIA BHD	30/8/2022	Technical Buy	2.61	2.92	2.31	12%	-11%	1.03x	2.68	2.53	2.55	Open	
ASTRO MALAYSIA HOLDINGS BHD	30/8/2022	Technical Buy	0.85	0.92	0.77	9%	-9%	1.00x	0.88	0.83	0.83	Open	
EONMETALL GROUP BHD	1/9/2022	Technical Buy	0.58	0.64	0.52	10%	-10%	1.00x	0.74	0.57	0.71	TP Hit	5/9/2022
SDS GROUP BHD	1/9/2022	Technical Buy	0.53	0.59	0.47	12%	-10%	1.18x	0.64	0.52	0.58	TP Hit	9/9/2022
ANN JOO RESOURCES BHD	2/9/2022	Technical Buy	1.03	1.20	0.89	17%	-14%	1.21x	1.10	0.96	0.96	Open	
DAGANG NEXCHANGE BHD	2/9/2022	Technical Buy	0.82	0.94	0.72	15%	-12%	1.20x	0.85	0.76	0.77	Open	
PROLEXUS BHD	6/9/2022	Technical Buy	0.40	0.45	0.35	14%	-11%	1.22x	0.47	0.40	0.43	TP Hit	26/9/2022
SAMCHEM HOLDINGS BHD	6/9/2022	Technical Buy	0.77	0.86	0.67	12%	-12%	1.00x	0.80	0.76	0.76	Open	
MALAYSIA MARINE AND HEAVY EN	7/9/2022	Technical Buy	0.41	0.46	0.36	12%	-12%	1.00x	0.43	0.39	0.39	Open	
COASTAL CONTRACTS BHD	7/9/2022	Technical Buy	1.91	2.18	1.64	14%	-14%	1.00x	2.06	1.87	1.96	Open	
CORAZA INTEGRATED TECHNOLOGY	8/9/2022	Technical Buy	0.75	0.84	0.65	13%	-13%	1.00x	0.90	0.75	0.80	TP Hit	12/9/2022
TSH RESOURCES BHD	8/9/2022	Technical Buy	1.05	1.17	0.94	11%	-10%	1.09x	1.05	0.96	0.96	Open	
PESTECH INTERNATIONAL BHD	9/9/2022	Technical Buy	0.29	0.32	0.25	12%	-12%	1.00x	0.31	0.28	0.29	Open	
UNISEM (M) BERHAD	9/9/2022	Technical Buy	2.59	2.86	2.32	10%	-10%	1.00x	2.88	2.56	2.63	TP Hit	14/9/2022
SEDANIA INNOVATOR BHD	13/9/2022	Technical Buy	0.36	0.42	0.30	17%	-17%	1.00x	0.37	0.29	0.30	SL Hit	26/9/2022
EVERGREEN FIBREBOARD BHD	13/9/2022	Technical Buy	0.50	0.55	0.44	11%	-11%	1.00x	0.52	0.41	0.41	SL Hit	26/9/2022
HSS ENGINEERS BHD	14/9/2022	Technical Buy	0.38	0.44	0.33	16%	-13%	1.20x	0.41	0.38	0.39	Open	
ECONPILE HOLDINGS BHD	14/9/2022	Technical Buy	0.18	0.20	0.15	14%	-14%	1.00x	0.19	0.17	0.18	Open	
AEMULUS HOLDINGS BHD	15/9/2022	Technical Buy	0.48	0.55	0.43	14%	-10%	1.30x	0.49	0.41	0.41	SL Hit	21/9/2022
V.S. INDUSTRY BERHAD	15/9/2022	Technical Buy	1.03	1.16	0.92	13%	-11%	1.18x	1.03	0.91	0.92	SL Hit	26/9/2022
GUAN CHONG BHD	20/9/2022	Technical Buy	2.30	2.52	2.09	10%	-9%	1.05x	2.32	2.25	2.31	Open	
MR DIY GROUP M BHD	20/9/2022	Technical Buy	2.03	2.23	1.84	10%	-9%	1.05x	2.06	1.92	1.95	Open	
UMW HOLDINGS BHD	21/9/2022	Technical Buy	3.12	3.48	2.77	12%	-11%	1.03x	3.15	3.00	3.00	Open	
NTPM HOLDINGS BHD	21/9/2022	Technical Buy	0.43	0.47	0.39	9%	-9%	1.00x	0.43	0.41	0.41	Open	
SAMAIDEN GROUP BHD	22/9/2022	Technical Buy	0.75	0.83	0.66	11%	-11%	1.00x	0.77	0.72	0.73	Open	
THONG GUAN INDUSTRIES BHD	22/9/2022	Technical Buy	2.72	2.98	2.47	10%	-9%	1.04x	2.75	2.56	2.56	Open	
CENGILD MEDICAL BHD	23/9/2022	Technical Buy	0.49	0.56	0.43	14%	-12%	1.17x	0.50	0.45	0.47	Open	
MI TECHNOVATION BHD	23/9/2022	Technical Buy	1.32	1.50	1.15	14%	-13%	1.06x	1.33	1.21	1.22	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

This document has been prepared for general circulation based on information obtained from sources believed to be reliable but we do not make any representations as to its accuracy or completeness. Any recommendation contained in this document does not have regard to the specific investment objectives, financial situation and the particular needs of any specific person who may read this document. This document is for the information of addressees only and is not to be taken in substitution for the exercise of judgement by addressees. Kenanga Investment Bank Berhad accepts no liability whatsoever for any direct or consequential loss arising from any use of this document or any solicitations of an offer to buy or sell any securities. Kenanga Investment Bank Berhad and its associates, their directors, and/or employees may have positions in, and may effect transactions in securities mentioned herein from time to time in the open market or otherwise, and may receive brokerage fees or act as principal or agent in dealings with respect to these companies.

Published and printed by:

KENANGA INVESTMENT BANK BERHAD (15678-H)

Level 17, Kenanga Tower, 237, Jalan Tun Razak, 50400 Kuala Lumpur, Malaysia
 Telephone: (603) 2172 0880 Website E-mail: research@kenanga.com.my