

28 September 2022

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Daily technical highlights – (FFB, PIE)

Daily Charting – FFB (Technical Buy)



About the Stock:		Key Support & Resistance Levels	
Name	Farm Fresh Bhd	52 Week High/Low	1.86/1.50
Bursa Code	FFB	3-m Avg. Daily Vol.	3,119,364
CAT Code	5306	Free Float (%)	62%
Market Cap	RM2,935.6m	Beta vs. KLCI	N.A.
		Last Price	RM1.58
		Resistance	RM1.74 (R1) RM1.80 (R2)
		Stop Loss	RM1.42

Farm Fresh Bhd (Technical Buy)

- FFB's share price has fallen 15% since April this year from its 52-week high of RM1.86 to close at RM1.58 yesterday. With the share price finding support near its 52-week low of RM1.50, a technical rebound could be anticipated.
- Chart-wise, we believe the share price will shift upward as both the Stochastic and RSI indicators climb out from the oversold zone.
- Hence, we expect the stock to rise and test our resistance thresholds of RM1.74 (R1; 10% upside potential) and RM1.80 (R2; 14% upside potential).
- Conversely, our stop loss price has been identified at RM1.42 (representing a 10% downside risk).
- Business-wise, FFB is engaged in the business of farming, manufacturing and distribution of various dairy products and plant-based products.
- Earnings-wise, the group reported a net profit of RM15.2m in 1QFY23 compared with a net profit of RM19.2m in 1QFY22, mainly due to the Employees' Share Option Scheme ("ESOS") expenses of RM2.1m which was first recognized during the current quarter upon the grant of share options to employees of the Group
- Based on consensus forecasts, FFB's net earnings are projected to come in at RM92m for FY March 2023 and RM115.6m for FY March 2024, which translate to forward PERs of 31.9x and 25.4x, respectively.

28 September 2022

Daily Charting – PIE (Technical Buy)



About the Stock:

Name : P.I.E Industrial Bhd
Bursa Code : PIE
CAT Code : 7095
Market Cap : RM1,067.6m

52 Week High/Low : 4.25/2.17
3-m Avg. Daily Vol. : 293,149
Free Float (%) : 34%
Beta vs. KLCI : 0.75

Key Support & Resistance Levels

Last Price : RM2.78
Resistance : RM3.05 (R1) RM3.20 (R2)
Stop Loss : RM2.51

P.I.E Industrial Bhd (Technical Buy)

- The share price of PIE has slid from a peak of RM4.28 in November 2021 to as low as RM2.17 in March 2022 before staging a rebound since then to close at RM2.78 yesterday.
- On the chart, the share price is poised to shift upward as: (i) both the Stochastic and RSI indicators are set to climb out from the oversold zone, and (ii) the stock price has crossed back above the lower Bollinger Band.
- Hence, we expect the stock to challenge our resistance levels of RM3.05 (R1; 10% upside potential) and RM3.20 (R2; 15% upside potential).
- Our stop loss level is pegged at RM2.51 (representing a 10% downside risk).
- Fundamentally speaking, PIE is an integrated Electronic Manufacturing Services (EMS) provider which is also involved in the manufacturing of wires and cables for various industrial applications.
- Earnings-wise, the group reported a net profit of RM8m (-35% YoY) in 2QFY22 which brought 1HFY22 net profit to RM27.1m (+11% YoY).
- Based on consensus forecasts, PIE's net earnings are projected to come in at RM66.5m for FY December 2022 and RM75.9m for FY December 2023, which translate to forward PERs of 16.1x and 14.1x, respectively.

28 September 2022








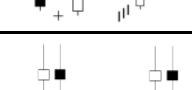
STOCK CALL MONITOR*

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
BANK ISLAM MALAYSIA BHD	30/08/2022	Technical Buy	2.61	2.92	2.31	12%	-11%	1.03x	2.68	2.53	2.58	Open	
ASTRO MALAYSIA HOLDINGS BHD	30/08/2022	Technical Buy	0.85	0.92	0.77	9%	-9%	1.00x	0.88	0.84	0.80	Open	
EONMETALL GROUP BHD	01/09/2022	Technical Buy	0.58	0.64	0.52	10%	-10%	1.00x	0.74	0.57	0.68	TP Hit	05/09/2022
SDS GROUP BHD	01/09/2022	Technical Buy	0.53	0.59	0.47	12%	-10%	1.18x	0.64	0.52	0.62	TP Hit	09/09/2022
ANN JOO RESOURCES BHD	02/09/2022	Technical Buy	1.03	1.20	0.89	17%	-14%	1.21x	1.10	0.98	0.94	Open	
DAGANG NEXCHANGE BHD	02/09/2022	Technical Buy	0.82	0.94	0.72	15%	-12%	1.20x	0.85	0.79	0.78	Open	
PROLEXUS BHD	06/09/2022	Technical Buy	0.40	0.45	0.35	14%	-11%	1.22x	0.44	0.40	0.43	Open	
SAMCHEM HOLDINGS BHD	06/09/2022	Technical Buy	0.77	0.86	0.67	12%	-12%	1.00x	0.80	0.76	0.76	Open	
MALAYSIA MARINE AND HEAVY EN	07/09/2022	Technical Buy	0.41	0.46	0.36	12%	-12%	1.00x	0.43	0.39	0.40	Open	
COASTAL CONTRACTS BHD	07/09/2022	Technical Buy	1.91	2.18	1.64	14%	-14%	1.00x	2.06	1.87	1.93	Open	
CORAZA INTEGRATED TECHNOLOGY	08/09/2022	Technical Buy	0.75	0.84	0.65	13%	-13%	1.00x	0.90	0.75	0.84	TP Hit	12/09/2022
TSH RESOURCES BHD	08/09/2022	Technical Buy	1.05	1.17	0.94	11%	-10%	1.09x	1.05	0.98	0.95	Open	
PESTECH INTERNATIONAL BHD	09/09/2022	Technical Buy	0.29	0.32	0.25	12%	-12%	1.00x	0.31	0.28	0.29	Open	
UNISEM (M) BERHAD	09/09/2022	Technical Buy	2.59	2.86	2.32	10%	-10%	1.00x	2.88	2.59	2.63	TP Hit	14/09/2022
SEDANIA INNOVATOR BHD	13/09/2022	Technical Buy	0.36	0.42	0.30	17%	-17%	1.00x	0.37	0.31	0.30	Open	
EVERGREEN FIBREBOARD BHD	13/09/2022	Technical Buy	0.50	0.55	0.44	11%	-11%	1.00x	0.52	0.45	0.41	Open	
HSS ENGINEERS BHD	14/09/2022	Technical Buy	0.38	0.44	0.33	16%	-13%	1.20x	0.41	0.38	0.40	Open	
ECONPILE HOLDINGS BHD	14/09/2022	Technical Buy	0.18	0.20	0.15	14%	-14%	1.00x	0.19	0.17	0.18	Open	
AEMULUS HOLDINGS BHD	15/09/2022	Technical Buy	0.48	0.55	0.43	14%	-10%	1.30x	0.49	0.41	0.42	SL Hit	21/09/2022
V.S. INDUSTRY BERHAD	15/09/2022	Technical Buy	1.03	1.16	0.92	13%	-11%	1.18x	1.03	0.94	0.94	Open	
GUAN CHONG BHD	20/09/2022	Technical Buy	2.30	2.52	2.09	10%	-9%	1.05x	2.32	2.26	2.37	Open	
MR DIY GROUP M BHD	20/09/2022	Technical Buy	2.03	2.23	1.84	10%	-9%	1.05x	2.06	1.97	1.99	Open	
UMW HOLDINGS BHD	21/09/2022	Technical Buy	3.12	3.48	2.77	12%	-11%	1.03x	3.15	3.07	2.99	Open	
NTPM HOLDINGS BHD	21/09/2022	Technical Buy	0.43	0.47	0.39	9%	-9%	1.00x	0.43	0.42	0.42	Open	
SAMAIEN GROUP BHD	22/09/2022	Technical Buy	0.75	0.83	0.66	11%	-11%	1.00x	0.77	0.74	0.75	Open	
THONG GUAN INDUSTRIES BHD	22/09/2022	Technical Buy	2.72	2.98	2.47	10%	-9%	1.04x	2.75	2.68	2.62	Open	
CENGILD MEDICAL BHD	23/09/2022	Technical Buy	0.49	0.56	0.43	14%	-12%	1.17x	0.50	0.47	0.49	Open	
MI TECHNOVATION BHD	23/09/2022	Technical Buy	1.32	1.50	1.15	14%	-13%	1.06x	1.33	1.24	1.27	Open	
BONIA CORP BHD	27/09/2022	Technical Buy	1.96	2.25	1.70	15%	-13%	1.12x	2.03	1.96	1.99	Open	
SKP RESOURCES BHD	27/09/2022	Technical Buy	1.70	1.92	1.50	13%	-12%	1.10x	1.74	1.69	1.70	Open	

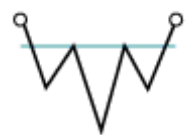




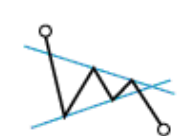
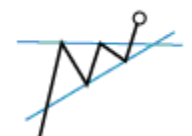
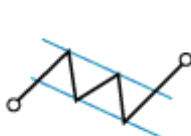

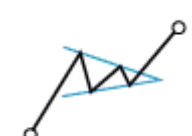
* Tracks our stock recommendations on a one-month rolling basis from issue date. Stock names will drop out from the list after one month from issue date regardless of their status.

^ 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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Published by:

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