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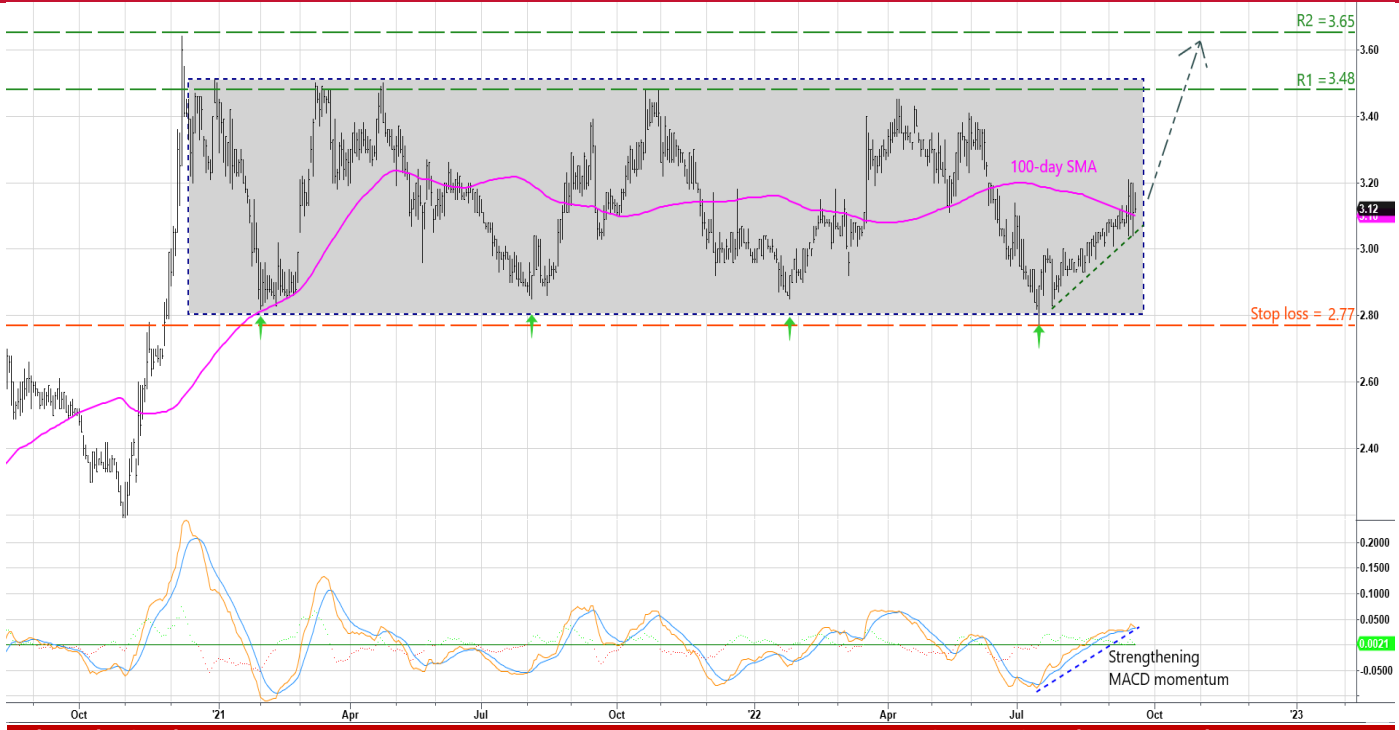
Daily technical highlights – (UMW, NTPM)

Daily Charting – UMW (Technical Buy)



About the Stock:						Key Support & Resistance Levels		
Name	:	UMW Holdings Bhd	**52 Week High/Low**	:	3.48/2.77	**Last Price**	:	RM3.12
Bursa Code	:	UMW	**3-m Avg. Daily Vol.**	:	195,799	**Resistance**	:	RM3.48 (R1) RM3.65 (R2)
CAT Code	:	4588	**Free Float (%)**	:	29.4	**Stop Loss**	:	RM2.77
Market Cap	:	RM3,645.1m	**Beta vs. KLCI**	:	1.1			

UMW Holdings Bhd (Technical Buy)

- Follow-through buying interest could lift UMW shares along a positive sloping trendline following a recent bounce-up from a low of RM2.77 in mid-July this year.
- On the chart, the share price may be making its way towards the upper end of a rectangle pattern that has been in existence since December 2020, backed by bullish technical signals arising from the overcoming of the 100-day SMA and the MACD indicator's crossing above the zero-line.
- Thus, the stock will probably climb further to challenge our resistance targets of RM3.48 (R1; 12% upside potential) and RM3.65 (R2; 17% upside potential).
- Our stop loss price level is set at RM2.77 (representing a downside risk of 11% from yesterday's close of RM3.12).
- UMW is involved in multiple businesses comprising the automotive, equipment (for the industrial, heavy, marine & power industries) and manufacturing & engineering (of automotive parts and lubricants) sectors.
- Earnings-wise, the group made net profit of RM107.2m in 2QFY22 (reversing from 2QFY21's net loss of RM3.6m), which then took 1HFY22's results to RM208.4m (up 174% YoY).
- Based on consensus estimates, it is projected to post net earnings of RM384.1m in FY December 2022 and RM367.9m in FY December 2023. This translates to forward PERs of 9.5x this year and 9.9x next year, respectively with its 1-year forward rolling PER presently hovering slightly above the minus 1SD level from its historical mean.

Daily Charting – NTPM (Technical Buy)

About the Stock:						Key Support & Resistance Levels		
Name	:	NTPM Holdings Bhd	**52 Week High/Low**	:	0.54/0.41	**Last Price**	:	RM0.43
Bursa Code	:	NTPM	**3-m Avg. Daily Vol.**	:	93,449	**Resistance**	:	RM0.47 (R1) RM0.51 (R2)
CAT Code	:	5066	**Free Float (%)**	:	33.3	**Stop Loss**	:	RM0.39
Market Cap	:	RM482.9m	**Beta vs. KLCI**	:	0.7			

NTPM Holdings Bhd (Technical Buy)

- After treading sideways inside a tight band since mid-July this year, NTPM's share price may attempt to break away from the intermediate rectangle formation.
- An upward shift in the share price is likely following the existence of bullish divergence stochastic and MACD patterns as both the indicators plotted rising lows when the price was drifting listlessly.
- A technical breakout could then drive the stock towards our resistance thresholds of RM0.47 (R1) and RM0.51 (R2). This represents upside potentials of 9% and 19%, respectively.
- We have placed our stop loss price level at RM0.39 (or a 9% downside risk).
- A manufacturer and distributor of tissue paper and personal care products, NTPM reported net profit of RM3.5m (-33% YoY) in 4QFY22, bringing its full-year performance to RM28.2m (-55% YoY).
- Going forward, consensus is forecasting the group would make net earnings of RM25.4m for FY April 2023 and RM28.8m for FY April 2024, translating to forward PERs of 19.0x and 16.8x, respectively (with its 1-year forward rolling PER currently standing at 1SD above its historical mean).
- In addition, the stock offers prospective annual dividend yields of 3.7% in the coming two financial years based on consensus DPS estimates of 1.6 sen each for FY23 and FY24, respectively.

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
UZMA BHD	23/8/2022	Technical Buy	0.35	0.41	0.30	17%	-14%	1.20x	0.44	0.35	0.42	TP Hit	24/8/2022
HAP SENG PLANTATIONS HLDGS	23/8/2022	Technical Buy	2.27	2.54	2.01	12%	-11%	1.04x	2.36	2.17	2.29	Open	
JAYA TIASA HOLDINGS BHD	24/8/2022	Technical Buy	0.61	0.68	0.54	12%	-11%	1.15x	0.62	0.58	0.60	Open	
HEVEABOARD BHD	24/8/2022	Technical Buy	0.45	0.50	0.40	11%	-11%	1.00x	0.45	0.43	0.44	Open	
GHL SYSTEMS BERHAD	25/8/2022	Technical Buy	1.18	1.30	1.06	10%	-10%	1.00x	1.29	0.87	0.87	SL Hit	1/9/2022
INARI AMERTRON BHD	25/8/2022	Technical Buy	2.66	2.92	2.40	10%	-10%	1.00x	2.82	2.63	2.71	Open	
ANCOM NYLEX BHD	26/8/2022	Technical Buy	0.96	1.06	0.87	10%	-9%	1.11x	1.01	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	0.70	0.73	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	2.64	Open	
ASTRO MALAYSIA HOLDINGS BHD	30/8/2022	Technical Buy	0.85	0.92	0.77	9%	-9%	1.00x	0.88	0.84	0.84	Open	
EONMETALL GROUP BHD	1/9/2022	Technical Buy	0.58	0.64	0.52	10%	-10%	1.00x	0.74	0.57	0.69	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	0.55	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	1.00	1.02	Open	
DAGANG NEXCHANGE BHD	2/9/2022	Technical Buy	0.82	0.94	0.72	15%	-12%	1.20x	0.85	0.79	0.81	Open	
PROLEXUS BHD	6/9/2022	Technical Buy	0.40	0.45	0.35	14%	-11%	1.22x	0.43	0.40	0.40	Open	
SAMCHEM HOLDINGS BHD	6/9/2022	Technical Buy	0.77	0.86	0.67	12%	-12%	1.00x	0.80	0.76	0.78	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	0.40	Open	
COASTAL CONTRACTS BHD	7/9/2022	Technical Buy	1.91	2.18	1.64	14%	-14%	1.00x	2.06	1.87	2.03	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	0.98	0.99	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	2.59	2.65	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	0.31	0.32	Open	
EVERGREEN FIBREBOARD BHD	13/9/2022	Technical Buy	0.50	0.55	0.44	11%	-11%	1.00x	0.52	0.46	0.47	Open	
HSS ENGINEERS BHD	14/9/2022	Technical Buy	0.38	0.44	0.33	16%	-13%	1.20x	0.41	0.38	0.40	Open	
ECONPILE HOLDINGS BHD	14/9/2022	Technical Buy	0.18	0.20	0.15	14%	-14%	1.00x	0.18	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	0.44	0.44	Open	
V.S. INDUSTRY BERHAD	15/9/2022	Technical Buy	1.03	1.16	0.92	13%	-11%	1.18x	1.03	0.96	0.97	Open	
GUAN CHONG BHD	20/9/2022	Technical Buy	2.30	2.52	2.09	10%	-9%	1.05x	2.31	2.30	2.30	Open	
MR DIY GROUP M BHD	20/9/2022	Technical Buy	2.03	2.23	1.84	10%	-9%	1.05x	2.06	2.00	2.04	Open	

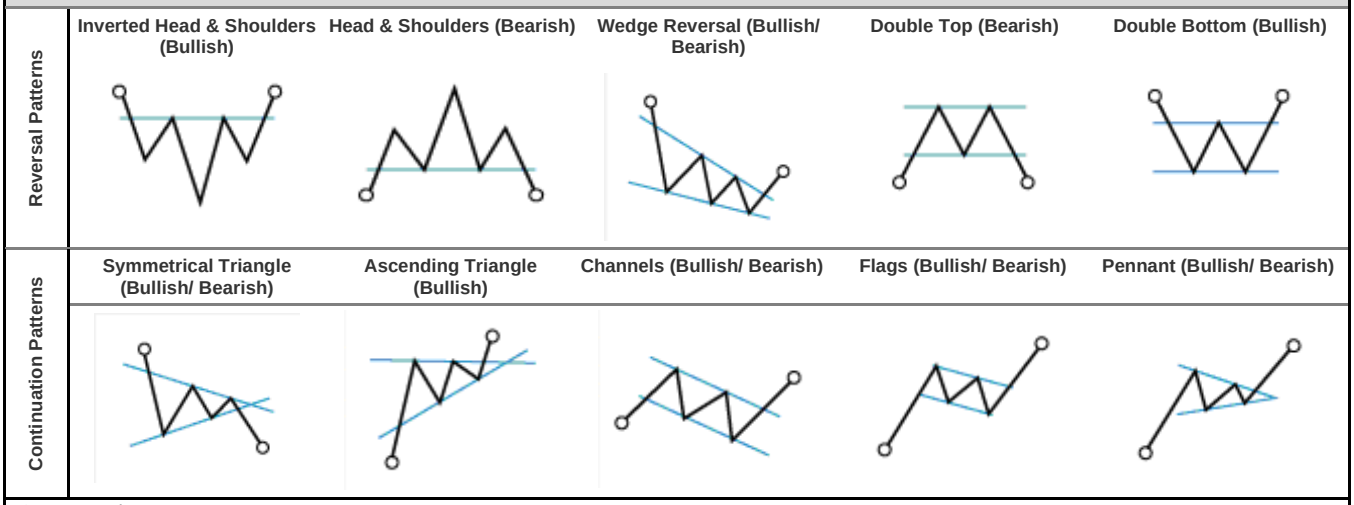
** Tracks our stock recommendations on a one-month rolling basis from issue date. Stock names will drop out from the list after one month from issue date regardless of their status.*
^ Status will be categorised as either:(i) "TP hit" when stock reaches target price first OR (ii) "SL hit" when stock 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



Source: Various

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Published and printed by:

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