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Daily technical highlights – (DUFU, UEMS)

Daily Charting – DUFU (Technical Buy)

About the Stock:						Key Support & Resistance Levels		
Name	:	Dufu Technology Corp. Bhd	**52 Week High/Low**	:	4.53/1.57	**Last Price**	:	RM1.59
Bursa Code	:	DUFU	**3-m Avg. Daily Vol.**	:	1,562,633	**Resistance**	:	RM1.76 (R1) RM1.90 (R2)
CAT Code	:	7233	**Free Float (%)**	:	48%	**Stop Loss**	:	RM1.44
Market Cap	:	RM842.6m	**Beta vs. KLCI**	:	0.56			

Dufu Technology Corp. Bhd (Technical Buy)

- From a high of RM4.82 in early July 2021, DUFU's share price has subsequently fallen 67% to close at RM1.59 yesterday. With the share price likely to find support near its 52-week low of RM1.57, a technical rebound could be anticipated.
- Chart-wise, an upward shift is expected as both the RSI and stochastic indicators are set to climb out from the oversold area while the stock price has crossed back above the lower Bollinger Band yesterday.
- Hence, we believe that DUFU's share price will rise to challenge our resistance levels of RM1.76 (R1; 11% upside potential) and RM1.90 (R2; 19% upside potential).
- Conversely, our stop loss price has been identified at RM1.44 (representing a 9% downside risk).
- Business-wise, DUFU specialises in the designing, development and manufacturing of precision machining parts and components.
- The group reported a net profit of RM16.4m in 3QFY22 compared with a net profit of RM20.3m in 3QFY21, lifting 9MFY22's bottomline to RM64m (versus a net profit of RM55.7m previously).
- In terms of valuation, the stock is currently trading at Price/Book Value multiple of 2.5x (or approximately 2 SD below its historical mean) based on a book value per share of RM0.64 as of end-September 2022.

Daily Charting – UEMS (Technical Buy)

About the Stock:						Key Support & Resistance Levels		
Name	:	UEM Sunrise Bhd	**52 Week High/Low**	:	0.385/0.185	**Last Price**	:	RM0.21
Bursa Code	:	UEMS	**3-m Avg. Daily Vol.**	:	8,298,172	**Resistance**	:	RM0.24 (R1) RM0.26 (R2)
CAT Code	:	5148	**Free Float (%)**	:	20%	**Stop Loss**	:	RM0.18
Market Cap	:	RM1,062.3m	**Beta vs. KLCI**	:	1.15			

UEM Sunrise Bhd (Technical Buy)

- UEMS' share price has been trending down since May 2013 from a peak of RM3.66 to hit a 52-week low of RM0.185 in October this year before moving sideways since then.
- On the chart, the share price – which closed at RM0.21 yesterday – is expected to stage a technical rebound in view of the rising RSI indicator and the 12-day moving average still hovering above the 26-day moving average following the MACD golden cross in late October.
- As such, we believe the stock could climb towards our resistance thresholds of RM0.24 (R1; 14% upside potential) and RM0.26 (R2; 24% upside potential).
- On the downside, our stop loss level is pegged at RM0.18 (representing a 14% downside risk).
- Fundamentally speaking, UEMS is a property developer which is involved in a diverse range of projects including industrial, commercial, residential, healthcare, mixed-used properties, government offices and universities.
- Earnings-wise, the group reported a net profit of RM20.7m in 2QFY22, reversing from a net loss of RM7.4m in 2QFY21. This took 1HFY22 bottomline to RM39.7m (versus net loss of RM11.7m previously), lifted mainly by land sale gains amounting to RM43.5m and forex gain of RM3.1m.
- Based on consensus forecasts, UEMS' net earnings are projected to come in at RM37.3m in FY December 2022 and RM68.6m in FY December 2023, which translate to forward PERs of 28.5x this year and 15.5x next year, 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
SUNWAY BHD	12/10/2022	Technical Buy	1.56	1.77	1.39	13%	-11%	1.24x	1.62	1.50	1.56	Open	
MMS VENTURES BHD	12/10/2022	Technical Buy	0.66	0.75	0.59	14%	-11%	1.29x	0.68	0.63	0.65	Open	
MALAKOFF CORP BHD	13/10/2022	Technical Buy	0.61	0.67	0.55	10%	-10%	1.00x	0.64	0.60	0.62	Open	
NCT ALLIANCE BHD	13/10/2022	Technical Buy	0.36	0.40	0.32	11%	-11%	1.00x	0.40	0.34	0.36	TP Hit	19/10/2022
LOTTE CHEMICAL TITAN HOLDING	14/10/2022	Technical Buy	1.36	1.55	1.20	14%	-12%	1.19x	1.49	1.25	1.28	Open	
OPTIMAX HOLDINGS BHD	14/10/2022	Technical Buy	0.69	0.78	0.61	13%	-12%	1.13x	0.82	0.69	0.76	TP Hit	26/10/2022
WESTPORTS HOLDINGS BHD	18/10/2022	Technical Buy	3.17	3.48	2.87	10%	-9%	1.03x	3.45	3.16	3.35	Open	
PEKAT GROUP BERHAD	18/10/2022	Technical Buy	0.44	0.49	0.39	13%	-10%	1.22x	0.52	0.42	0.46	TP Hit	01/11/2022
OPENSYS M BHD	19/10/2022	Technical Buy	0.35	0.39	0.31	11%	-11%	1.00x	0.37	0.34	0.35	Open	
TUNE PROTECT GROUP BHD	19/10/2022	Technical Buy	0.25	0.28	0.21	14%	-14%	1.00x	0.28	0.24	0.26	TP Hit	31/10/2022
AURELIUS TECHNOLOGIES BHD	20/10/2022	Technical Buy	1.65	1.88	1.47	14%	-11%	1.28x	1.71	1.53	1.55	Open	
FRONTKEN CORP BHD	20/10/2022	Technical Buy	2.47	2.80	2.18	13%	-12%	1.14x	2.56	2.42	2.51	Open	
CTOS DIGITAL BHD	21/10/2022	Technical Buy	1.34	1.52	1.16	13%	-13%	1.00x	1.43	1.33	1.38	Open	
PESTECH INTERNATIONAL BHD	21/10/2022	Technical Buy	0.31	0.35	0.27	13%	-13%	1.00x	0.33	0.30	0.30	Open	
TELEKOM MALAYSIA BHD	26/10/2022	Technical Buy	5.44	5.96	4.93	10%	-9%	1.02x	5.67	5.28	5.45	Open	
MAGNI-TECH INDUSTRIES BHD	26/10/2022	Technical Buy	1.70	1.90	1.51	12%	-11%	1.05x	1.73	1.70	1.72	Open	
CORAZA INTEGRATED TECHNOLOGY	27/10/2022	Technical Buy	0.68	0.77	0.60	13%	-12%	1.13x	0.70	0.62	0.63	Open	
SDS GROUP BHD	27/10/2022	Technical Buy	0.65	0.73	0.57	13%	-12%	1.13x	0.71	0.64	0.66	Open	
BONIA CORP BHD	28/10/2022	Technical Buy	1.79	1.97	1.61	10%	-10%	1.00x	1.87	1.75	1.82	Open	
KIM TECK CHEONG CONSOLIDATED	28/10/2022	Technical Buy	0.23	0.26	0.20	13%	-13%	1.00x	0.26	0.21	0.24	TP Hit	01/11/2022
JHM CONSOLIDATION BHD	01/11/2022	Technical Buy	0.87	0.97	0.77	12%	-11%	1.11x	0.89	0.76	0.78	SL Hit	09/11/2022
KPJ HEALTHCARE BERHAD	01/11/2022	Technical Buy	0.82	0.90	0.75	10%	-9%	1.14x	0.88	0.82	0.87	Open	
MR DIY GROUP M BHD	02/11/2022	Technical Buy	2.00	2.22	1.78	11%	-11%	1.00x	2.03	1.90	1.99	Open	
PECCA GROUP BHD	02/11/2022	Technical Buy	0.88	0.98	0.78	11%	-11%	1.00x	0.88	0.83	0.84	Open	
HEVEABOARD BHD	03/11/2022	Technical Buy	0.38	0.42	0.33	12%	-12%	1.00x	0.38	0.36	0.37	Open	
VISDYNAMICS HOLDINGS BHD	03/11/2022	Technical Buy	0.57	0.63	0.50	12%	-12%	1.00x	0.57	0.51	0.51	Open	
KELINGTON GROUP BHD	04/11/2022	Technical Buy	1.30	1.44	1.17	11%	-10%	1.08x	1.33	1.27	1.32	Open	
MYNEWS HOLDINGS BHD	04/11/2022	Technical Buy	0.52	0.58	0.46	12%	-12%	1.00x	0.56	0.51	0.54	Open	
INNATURE BHD	08/11/2022	Technical Buy	0.53	0.60	0.46	13%	-13%	1.00x	0.54	0.52	0.53	Open	
YTL CORP BHD	08/11/2022	Technical Buy	0.57	0.63	0.52	11%	-9%	1.20x	0.59	0.57	0.58	Open	
FM GLOBAL LOGISTICS HOLDINGS	09/11/2022	Technical Buy	0.54	0.60	0.48	12%	-10%	1.18x	0.55	0.54	0.55	Open	
YTL POWER INTERNATIONAL BHD	09/11/2022	Technical Buy	0.70	0.77	0.62	11%	-11%	1.00x	0.70	0.69	0.70	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.*

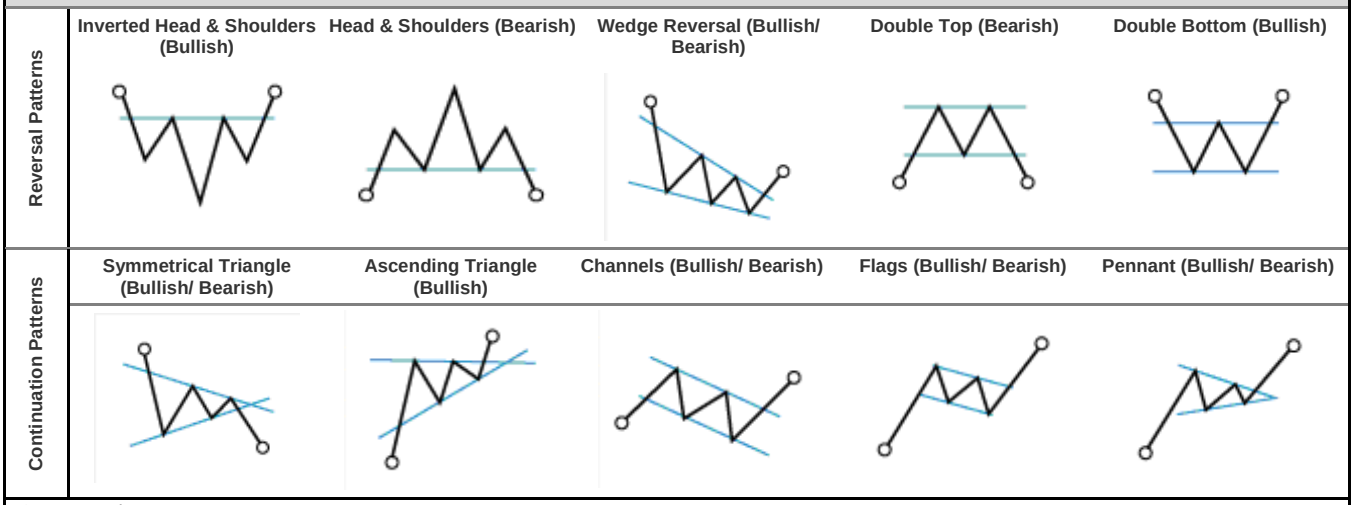
^ Status will be categorised as either:(i) "TP hit" when stock reaches target price first OR (ii) "SL hit" when stock touches stop loss first OR (iii) "Open" when neither TP nor SL has been hit.

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



Source: Various

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