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Daily technical highlights – (MSC, RGTBHD)

Daily Charting – MSC (Technical Buy)



About the Stock:		Key Support & Resistance Levels	
Name	: Malaysia Smelting Corp Bhd	52 Week High/Low	: 5.46/1.28
Bursa Code	: MSC	3-m Avg. Daily Vol.	: 1,289,398
CAT Code	: 5916	Free Float (%)	: 45%
Market Cap	: RM709.8m	Beta vs. KLCI	: 1.1
		Last Price	: RM1.69
		Resistance	: RM1.86 (R1) RM2.03 (R2)
		Stop Loss	: RM1.52

Malaysia Smelting Corporation Bhd (Technical Buy)

- Following a sharp fall from RM5.44 on 22 April 2022 to the trough of RM1.28 in mid-October this year, MSC consolidated in a sideways channel before staging a breakout and pulled away from the resistance line before closing at RM1.69 yesterday.
- The stock is expected to extend its rebound momentum on the back of the following indicators: (i) the share price is on the verge of overcoming the Parabolic SAR downtrend, (ii) the RSI continues to hover above its MA line, and (iii) the MACD is poised to bounce off from its signal line.
- Riding on the bullish indicators, the stock could climb towards our resistance targets of RM1.86 (R1; 10% upside potential) and RM2.03 (R2; 20% upside potential).
- We have set our stop loss price level to RM1.52 (representing a 10% downside risk).
- As a global integrated tin mining and smelting group, MSC is a proxy to soaring tin prices. Global tin prices have jumped 33% since beginning of November this year to USD23,500/MT currently in tandem with the recovery demand for tin following the China easing its zero-Covid policy and gradually reopening its borders.
- With exposure covering both the upstream (i.e., tin mining) and downstream (namely tin smelting) activities of the tin value chain, the group saw its bottomline sink to losses of RM31m in 3QFY22 (-179% QoQ) in tandem with the sharp fall of tin price that stretches back to a peak of USD50,000/MT in March 2022 to as low as USD20,750/MT on end of September this year which then brought its cumulative net profit to RM72.5m for 9MFY22.
- Our consensus is projecting the MSC to record a net profit of RM87.6m in FY December 2022 and RM87.9m in FY December 2023, and it translates to forward PERs of 8.1x for both this and next year, respectively.



About the Stock:		Key Support & Resistance Levels	
Name	: RGT Bhd	52 Week High/Low	: 0.72/0.32
Bursa Code	: RGTBHD	3-m Avg. Daily Vol.	: 1,338,615
CAT Code	: 9954	Free Float (%)	: 33%
Market Cap	: RM402.1m	Beta vs. KLCI	: 1.0
		Last Price	: RM0.415
		Resistance	: RM0.46 (R1) RM0.50 (R2)
		Stop Loss	: RM0.37

RGT Bhd (Technical Buy)

- After a formation of cup-and-handle pattern, RGTBHD has set to breakout from the upper trend line of the handle last week and closed at RM0.415 yesterday.
- Technically speaking, a continuation of the rising momentum may be on the horizon based on the positive signals triggered by: (i) higher lows of RSI while hovering above its MA line, (ii) existence of a golden cross in the MACD, and (iii) positive Parabolic SAR indicators.
- Hence, the stock is poised to challenge our resistance thresholds of RM0.46 (R1; 11% upside potential) and RM0.50 (R2; 20% upside potential).
- Our stop loss price level is pegged at RM0.37 (or an 11% downside risk from yesterday's close of RM0.415).
- As an integrated, one-stop solution manufacturer of hygiene care and air care products – such as soap, sanitizer, and fragrance dispenser - RGTBHD offers exposure to the growing demand for these products which are widely used to prevent and control the spread of the Covid-19 virus.
- After posting a net profit of RM2.3m (+10% YoY) in 1QFY23, the stock is currently trading at 2.8x PBV based on a book value per share of RM0.15 from valuation standpoint.

06 December 2022

STOCK CALL MONITOR*

Stock Name	Issue Date (ID)	Rating	Price @ ID	Resistance Price (R1)	Stop Loss Price (SL)	Upside Potential @ ID	Downside Risk @ ID	Risk to Reward Ratio	Highest Price since ID	Lowest Price since ID	Last Price RM	Status [^]	Date Status Fulfilled
			RM	RM	RM	%	%		RM	RM			
INNATURE BHD	8/11/2022	Technical Buy	0.53	0.60	0.46	13%	-13%	1.00x	0.58	0.51	0.56	Open	
YTL CORP BHD	8/11/2022	Technical Buy	0.57	0.63	0.52	11%	-9%	1.20x	0.59	0.53	0.58	Open	
FM GLOBAL LOGISTICS HOLDINGS	9/11/2022	Technical Buy	0.54	0.60	0.48	12%	-10%	1.18x	0.58	0.53	0.56	Open	
YTL POWER INTERNATIONAL BHD	9/11/2022	Technical Buy	0.70	0.77	0.62	11%	-11%	1.00x	0.76	0.66	0.74	Open	
DUFU TECHNOLOGY CORP BHD	10/11/2022	Technical Buy	1.59	1.76	1.44	11%	-9%	1.13x	2.06	1.53	2.00	TP Hit	11/11/2022
UEM SUNRISE BHD	10/11/2022	Technical Buy	0.21	0.24	0.18	14%	-14%	1.00x	0.32	0.20	0.27	TP Hit	24/11/2022
BSL CORP BHD	11/11/2022	Technical Buy	0.13	0.16	0.10	23%	-23%	1.00x	0.17	0.11	0.16	TP Hit	29/11/2022
HARTELEGA HOLDINGS BHD	11/11/2022	Technical Buy	2.06	2.28	1.84	11%	-11%	1.00x	2.17	1.62	1.63	SL Hit	17/11/2022
D&O GREEN TECHNOLOGIES BHD	15/11/2022	Technical Buy	3.85	4.25	3.45	10%	-10%	1.00x	4.44	3.70	4.36	TP Hit	1/12/2022
OPCOM HOLDINGS BHD	15/11/2022	Technical Buy	0.87	0.99	0.76	14%	-13%	1.09x	0.88	0.77	0.79	Open	
EP MANUFACTURING BERHAD	16/11/2022	Technical Buy	1.04	1.18	0.93	13%	-11%	1.27x	1.13	0.98	1.08	Open	
CARIMIN PETROLEUM BHD	16/11/2022	Technical Buy	0.53	0.60	0.47	13%	-11%	1.17x	0.65	0.52	0.65	TP Hit	30/11/2022
PIE INDUSTRIAL BHD	17/11/2022	Technical Buy	2.59	2.85	2.33	10%	-10%	1.00x	2.76	2.48	2.67	Open	
SP SETIA BHD	17/11/2022	Technical Buy	0.53	0.59	0.47	11%	-10%	1.09x	0.75	0.52	0.71	TP Hit	24/11/2022
PROLEXUS BHD	22/11/2022	Technical Buy	0.41	0.46	0.36	14%	-11%	1.22x	0.44	0.41	0.44	Open	
DIGI.COM BHD	22/11/2022	Technical Buy	3.78	4.16	3.43	10%	-9%	1.09x	4.08	3.67	3.90	Open	
HAP SENG PLANTATIONS HLDGS	23/11/2022	Technical Buy	2.02	2.24	1.81	11%	-10%	1.05x	2.08	1.95	1.96	Open	
AXIATA GROUP BERHAD	23/11/2022	Technical Buy	2.80	3.08	2.55	10%	-9%	1.12x	3.28	2.78	3.07	TP Hit	24/11/2022
CNERGENZ BHD	24/11/2022	Technical Buy	0.88	0.97	0.78	11%	-11%	1.00x	0.98	0.84	0.94	TP Hit	2/12/2022
REVENUE GROUP BHD	24/11/2022	Technical Buy	0.72	0.81	0.64	13%	-11%	1.13x	0.77	0.63	0.65	SL Hit	1/12/2022
CITAGLOBAL BHD	25/11/2022	Technical Buy	0.26	0.29	0.23	12%	-10%	1.20x	0.27	0.24	0.26	Open	
ECONPILE HOLDINGS BHD	25/11/2022	Technical Buy	0.17	0.19	0.15	12%	-12%	1.00x	0.18	0.16	0.18	Open	
ECO WORLD DEVELOPMENT GROUP	30/11/2022	Technical Buy	0.66	0.75	0.58	14%	-12%	1.13x	0.71	0.66	0.68	Open	
SIME DARBY BERHAD	30/11/2022	Technical Buy	2.20	2.41	2.00	10%	-9%	1.05x	2.21	2.15	2.17	Open	
HIBISCUS PETROLEUM BHD	1/12/2022	Technical Buy	1.11	1.23	1.00	11%	-10%	1.09x	1.16	1.10	1.13	Open	
RAMSSOL GROUP BHD	1/12/2022	Technical Buy	0.39	0.43	0.35	10%	-10%	1.00x	0.43	0.39	0.40	TP Hit	2/12/2022
JHM CONSOLIDATION BHD	2/12/2022	Technical Buy	0.72	0.80	0.65	11%	-10%	1.07x	0.86	0.73	0.84	TP Hit	5/12/2022
SWIFT HAULAGE BHD	2/12/2022	Technical Buy	0.47	0.52	0.42	11%	-11%	1.00x	0.50	0.47	0.49	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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