

16 March 2023

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**Daily technical highlights – (HHGROUP, RAMSSOL)**

**Daily Charting – HHGROUP (Technical Buy)**



About the Stock:		Key Support & Resistance Levels	
<b>Name</b>	: Heng Huat Resources Group Bhd	<b>52 Week High/Low</b>	: 0.58/0.295
<b>Bursa Code</b>	: HHGROUP	<b>3-m Avg. Daily Vol.</b>	: 1,617,148
<b>CAT Code</b>	: 0175	<b>Free Float (%)</b>	: 6.6%
<b>Market Cap</b>	: RM383.4m	<b>Beta vs. KLCI</b>	: 0.76
		<b>Last Price</b>	: RM0.475
		<b>Resistance</b>	: RM0.54 (R1) RM0.58 (R2)
		<b>Stop Loss</b>	: RM0.42

**Heng Huat Resources Bhd (Technical Buy)**

- HHGROUP’s share price staged a strong rally from a low of RM0.425 in mid-January 2023 to reach a high of RM0.58 on 24 February 2023 before pulling back to test the 78.6% Fibonacci Retracement line. The shares closed at RM0.475 yesterday.
- With the Stochastic indicator on the verge of climbing out from the oversold zone (after seeing the %K line cutting above the %D line) and the price crossing back above the lower Bollinger Band, we anticipate the stock will climb higher ahead.
- That said, the stock is expected to advance towards our resistance targets of RM0.54 (R1; 14% upside potential) and RM0.58 (R2; 22% upside potential).
- We have placed our stop loss price level at RM0.42 (representing a downside risk of 12%).
- HHGROUP – which is involved in the manufacturing and trading of biomass materials (i.e. coconut fibre and oil palm empty fruit bunch fibre), mattress and other related products – reported a net profit of RM9.5m (+70% QoQ) in 3QFY23, which lifted its 9MFY23’s cumulative net earnings to RM17.4m (+149% YoY).
- Valuation-wise, the stock is currently trading at Price/Book Value multiple of 2.4x, based on its book value per share of RM0.20 as of end-December 2022.

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Daily Charting – RAMSSOL (Technical Buy)



About the Stock:		Key Support & Resistance Levels	
<b>Name</b>	: Ramssol Group Bhd	<b>52 Week High/Low</b>	: 0.835/0.295
<b>Bursa Code</b>	: RAMSSOL	<b>3-m Avg. Daily Vol.</b>	: 2,929,880
<b>CAT Code</b>	: 0236	<b>Free Float (%)</b>	: 37%
<b>Market Cap</b>	: RM78.5m	<b>Beta vs. KLCI</b>	: N.A.
		<b>Last Price</b>	: RM0.32
		<b>Resistance</b>	: RM0.36 (R1) RM0.41 (R2)
		<b>Stop Loss</b>	: RM0.285

Ramssol Group Bhd (Technical Buy)

- After gapping down from the prior day's closing of RM0.44 to as low as RM0.37 on 24 Feb 2023 (following its announcement of a weak set of quarterly financial results), RAMSSOL's share price continued to plunge further, testing its 52-week low before finding intermediate support to close at RM0.32 yesterday.
- We believe the stock could stage a technical rebound ahead to fill the price gap given the following positive technical indicators: (i) the share price is poised to cross back above the lower Keltner Channels, and (ii) the Stochastic indicator is climbing out from the oversold zone.
- Hence, the stock could rise to challenge our resistance targets of RM0.36 (R1; 13% upside potential) and RM0.41 (R2; 28% upside potential).
- Our stop loss price level is set at RM0.285 (representing a downside risk of 11%).
- RAMSSOL is a provider of human resources solutions, focussing on human capital management and student management solutions.
- The group posted net earnings of RM0.5m in 4QFY22 (-62% QoQ), which brought its full-year bottomline to RM4.2m (-38% YoY).
- Based on consensus projections, RAMSSOL is expected to deliver net profit of RM6.3m in FY December 2023 and RM8m in FY December 2024. This translates to forward PERs of 12.7x this year and 10x next year, respectively.

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## 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 <sup>^</sup>	Date Status Fulfilled
			RM	RM	RM	%	%		RM	RM			
REVENUE GROUP BHD	16/2/2023	Technical Buy	0.50	0.57	0.44	14%	-12%	1.17x	0.55	0.35	0.35	SL Hit	24/2/2023
ECONFRAME BHD	16/2/2023	Technical Buy	1.00	1.13	0.89	13%	-11%	1.18x	1.07	0.91	0.92	Open	
ANN JOO RESOURCES BHD	17/2/2023	Technical Buy	1.39	1.54	1.25	11%	-10%	1.07x	1.43	1.14	1.20	SL Hit	24/2/2023
AEMULUS HOLDINGS BHD	17/2/2023	Technical Buy	0.39	0.43	0.35	10%	-10%	1.00x	0.39	0.35	0.37	SL Hit	2/3/2023
TALIWORKS CORP BHD	21/2/2023	Technical Buy	0.86	0.96	0.80	11%	-7%	1.50x	0.89	0.85	0.87	Open	
UEM SUNRISE BHD	21/2/2023	Technical Buy	0.26	0.29	0.23	14%	-10%	1.40x	0.28	0.24	0.25	Open	
PROLEXUS BHD	22/2/2023	Technical Buy	0.50	0.58	0.43	16%	-14%	1.14x	0.55	0.43	0.45	SL Hit	13/3/2023
IJM CORP BHD	22/2/2023	Technical Buy	1.57	1.72	1.43	10%	-9%	1.07x	1.72	1.56	1.65	TP Hit	9/3/2023
SYSTECH BHD	23/2/2023	Technical Buy	0.31	0.35	0.28	13%	-11%	1.14x	0.35	0.29	0.29	TP Hit	24/2/2023
HARN LEN CORP BHD	23/2/2023	Technical Buy	0.74	0.83	0.66	13%	-11%	1.19x	0.78	0.72	0.73	Open	
CNERGENZ BHD	24/2/2023	Technical Buy	0.87	0.97	0.79	12%	-10%	1.23x	0.96	0.85	0.91	Open	
QES GROUP BHD	24/2/2023	Technical Buy	0.64	0.71	0.58	11%	-9%	1.17x	0.65	0.58	0.60	SL Hit	14/3/2023
CCK CONSOLIDATED HOLDINGS BH	28/2/2023	Technical Buy	0.78	0.88	0.69	13%	-12%	1.11x	0.80	0.69	0.71	SL Hit	14/3/2023
LEONG HUP INTERNATIONAL BHD	28/2/2023	Technical Buy	0.49	0.54	0.43	11%	-11%	1.00x	0.53	0.48	0.49	Open	
KELINGTON GROUP BHD	1/3/2023	Technical Buy	1.51	1.70	1.34	13%	-11%	1.12x	1.56	1.41	1.45	Open	
SWIFT HAULAGE BHD	1/3/2023	Technical Buy	0.47	0.52	0.43	11%	-9%	1.25x	0.49	0.46	0.47	Open	
MTAG GROUP BHD	2/3/2023	Technical Buy	0.44	0.50	0.39	14%	-11%	1.20x	0.51	0.42	0.43	TP Hit	6/3/2023
KOBAY TECHNOLOGY BHD	2/3/2023	Technical Buy	2.58	2.90	2.30	12%	-11%	1.14x	2.66	2.46	2.47	Open	
JHM CONSOLIDATION BHD	3/3/2023	Technical Buy	0.79	0.88	0.70	12%	-11%	1.12x	0.86	0.76	0.79	Open	
SOLARVEST HOLDINGS BHD	3/3/2023	Technical Buy	0.92	1.02	0.82	11%	-11%	1.00x	0.97	0.85	0.89	Open	
GHL SYSTEMS BERHAD	7/3/2023	Technical Buy	0.94	1.05	0.83	12%	-11%	1.10x	0.94	0.88	0.89	Open	
JF TECHNOLOGY BHD	7/3/2023	Technical Buy	0.84	0.93	0.75	11%	-11%	1.00x	0.85	0.76	0.78	Open	
BETAMEK BHD	8/3/2023	Technical Buy	0.53	0.60	0.47	14%	-10%	1.36x	0.54	0.48	0.50	Open	
UEM EDGENTA BHD	8/3/2023	Technical Buy	0.98	1.09	0.88	12%	-10%	1.21x	0.99	0.95	0.98	Open	
PEKAT GROUP BERHAD	9/3/2023	Technical Buy	0.46	0.52	0.41	13%	-11%	1.20x	0.46	0.41	0.43	SL Hit	14/3/2023
PT RESOURCES HOLDINGS BHD	9/3/2023	Technical Buy	0.51	0.58	0.46	14%	-11%	1.27x	0.55	0.45	0.48	SL Hit	14/3/2023
DIALOG GROUP BHD	10/3/2023	Technical Buy	2.42	2.70	2.18	12%	-10%	1.17x	2.44	2.30	2.35	Open	
NOTION VTEC BHD	10/3/2023	Technical Buy	0.36	0.39	0.32	10%	-10%	1.00x	0.36	0.33	0.34	Open	
BAHVEST RESOURCES BHD	14/3/2023	Technical Buy	0.28	0.32	0.24	16%	-13%	1.29x	0.29	0.28	0.28	Open	
YTL CORP BHD	14/3/2023	Technical Buy	0.57	0.63	0.51	12%	-10%	1.18x	0.57	0.56	0.56	Open	
MALAKOFF CORP BHD	15/3/2023	Technical Buy	0.68	0.75	0.61	11%	-10%	1.15x	0.69	0.66	0.67	Open	
DRB-HICOM BHD	15/3/2023	Technical Buy	1.39	1.58	1.22	14%	-12%	1.12x	1.43	1.39	1.40	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.

<sup>^</sup> 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
<b>Doji</b> <b>Dragonfly Doji</b> (Bullish) <b>Gravestone Doji</b> (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.
<b>Engulfing Pattern</b>		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.
<b>Hammer</b> (Bullish) <b>Shooting Star</b> (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.
<b>Inverted Hammer</b> (Bullish) <b>Hanging Man</b> (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.
<b>Harami</b> <b>Harami Cross</b>		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.
<b>Marubozu</b>		A Marubozu candlestick has no shadow extending from the body at either the open, the close or at both.
<b>Morning Doji Star</b> (Bullish) <b>Evening Doji Star</b> (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.
<b>Spinning Top</b>		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	<b>Inverted Head &amp; Shoulders</b> (Bullish)	<b>Head &amp; Shoulders</b> (Bearish)	<b>Wedge Reversal</b> (Bullish/ Bearish)	<b>Double Top</b> (Bearish)	<b>Double Bottom</b> (Bullish)
Continuation Patterns	<b>Symmetrical Triangle</b> (Bullish/ Bearish)	<b>Ascending Triangle</b> (Bullish)	<b>Channels</b> (Bullish/ Bearish)	<b>Flags</b> (Bullish/ Bearish)	<b>Pennant</b> (Bullish/ Bearish)

Source: Various

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Published by:

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