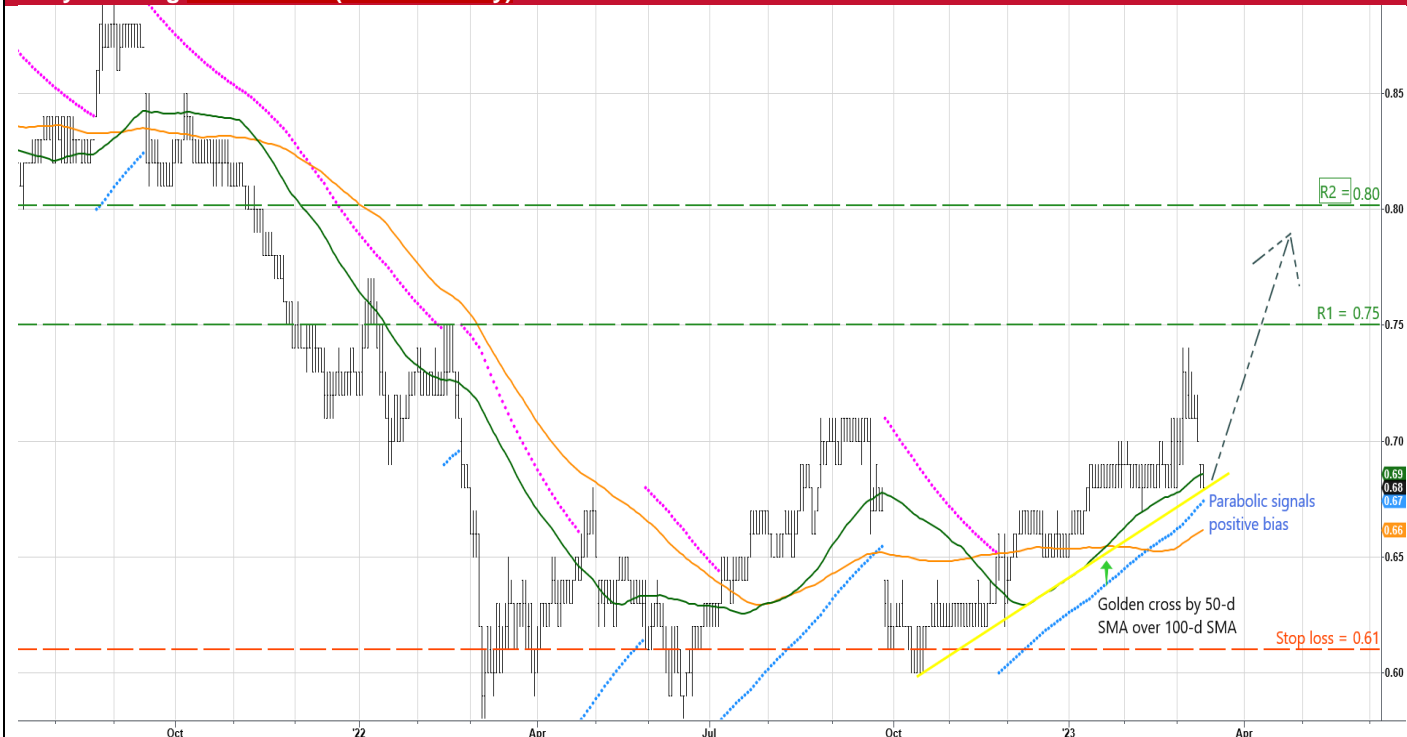


15 March 2023

By Goh Yin Foo, CFA, CMT | gohyf@kenanga.com.my

Daily technical highlights – (MALAKOF, DRBHCOC)

Daily Charting – MALAKOF (Technical Buy)



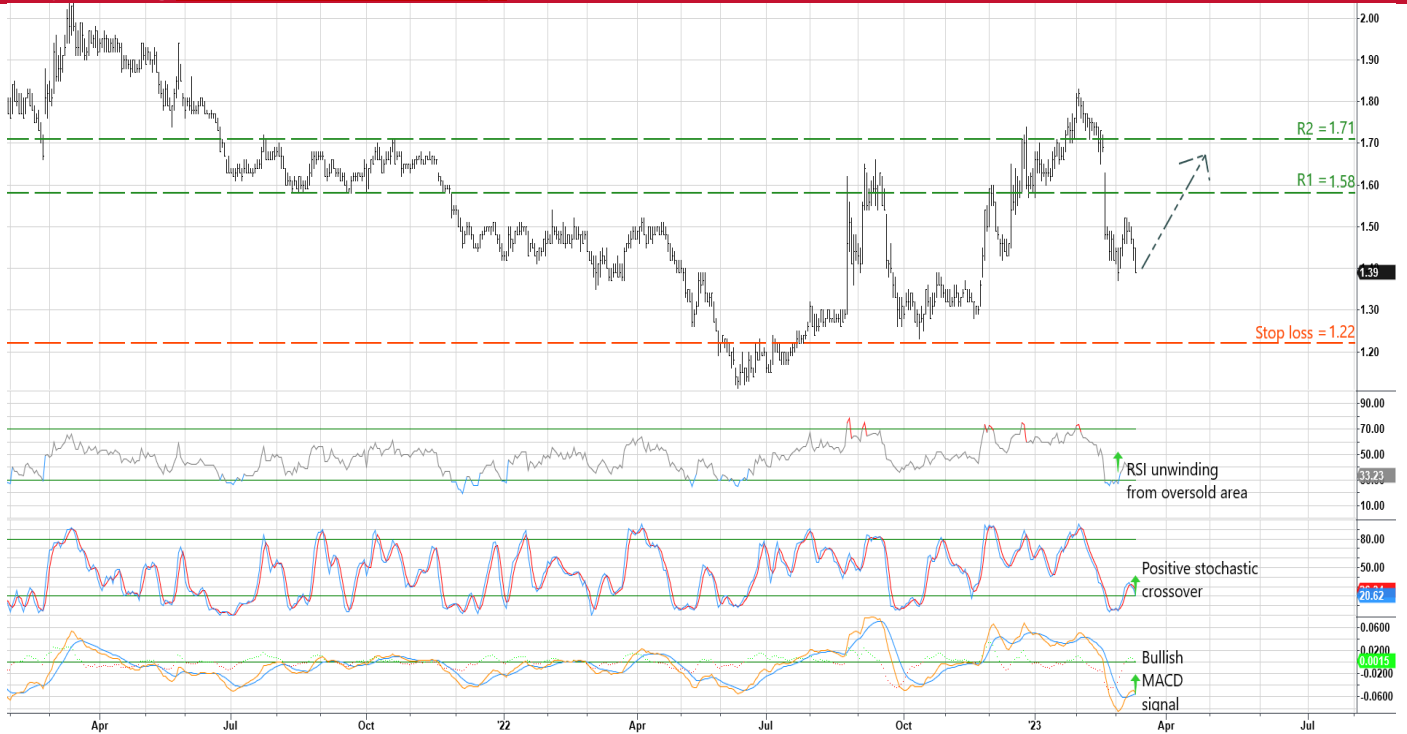
About the Stock:		Key Support & Resistance Levels	
Name	: Malakoff Corporation Bhd	52 Week High/Low	: 0.74/0.575
Bursa Code	: MALAKOF	3-m Avg. Daily Vol.	: 1,310,643
CAT Code	: 5264	Free Float (%)	: 15.6
Market Cap	: RM3,298.7m	Beta vs. KLCI	: 0.7
		Last Price	: RM0.675
		Resistance	: RM0.75 (R1) RM0.80 (R2)
		Stop Loss	: RM0.61

Malakoff Corporation Bhd (Technical Buy)

- Despite sliding from a recent high of RM0.74 early this month to close at RM0.675 yesterday (or back to where it was in end-February this year), the uptrend pattern of MALAKOF’s share price remains intact.
- A resumption of the upward trajectory is currently anticipated following the golden cross by the 50-day SMA above the 100-day SMA while the Parabolic SAR is still showing a positive bias signal.
- On the chart, the stock could close the price gap seen early this week, probably shifting higher towards our resistance thresholds of RM0.75 (R1; 11% upside potential) and RM0.80 (R2; 19% upside potential).
- We have placed our stop loss price level at RM0.61 (representing a downside risk of 10%).
- Business-wise, MALAKOF is an independent power and water producer whose core businesses include power generation, water desalination, operations & maintenance and waste management & environmental services.
- The group logged a net profit jump to RM41.9m (+178% YoY) in 4QFY22, which brought full-year bottomline to RM302.2m (+16% YoY).
- Consensus is currently forecasting MALAKOF to register net earnings of RM361.2m in FY December 2023 and RM364.5m in FY December 2024, translating to forward PERs of 9.1x this year and 9.0x next year, respectively.
- In addition, based on consensus DPS estimates of 5.4 sen for FY23 and 5.5 sen for FY24, the stock presently offers prospective dividend yields of 8.0% and 8.1%, respectively.

15 March 2023

Daily Charting – DRBHC0M (Technical Buy)



About the Stock:		Key Support & Resistance Levels	
Name	: DRB-Hicom Bhd	52 Week High/Low	: 1.83/1.11
Bursa Code	: DRBHC0M	3-m Avg. Daily Vol.	: 2,502,263
CAT Code	: 1619	Free Float (%)	: 26.9
Market Cap	: RM2,687.2m	Beta vs. KLCI	: 0.9
		Last Price	: RM1.39
		Resistance	: RM1.58 (R1) RM1.71 (R2)
		Stop Loss	: RM1.22

DRB-Hicom Bhd (Technical Buy)

- As DRBHC0M's share price approaches its recent low of RM1.37 early this month after closing at RM1.39 yesterday, a technical rebound from an oversold position may be in the offing.
- An ensuing upward shift is probable as both the stochastic and RSI indicators are poised to climb out from the oversold territory while the MACD has just cut above the signal line.
- This could then pave the way for the stock to fill the price gap (that was left opened in the second half of February), possibly strengthening towards our resistance targets of RM1.58 (R1; 14% upside potential) and RM1.71 (R2; 23% upside potential).
- Our stop loss price level is set at RM1.22 (representing a downside risk of 12%).
- DRBHC0M – a conglomerate with core businesses in the automotive, aerospace & defence, banking, postal, services and properties sectors – reported net loss of RM100.1m in 4QFY22 (from net profit of RM117.5m in 4QFY21), taking full-year bottomline to RM187.7m (from net loss of RM296.4m previously).
- Going forward, consensus is projecting the group to make net earnings of RM324.5m in FY December 2023 and RM374.5m in FY December 2024. In terms of valuation, this translates to forward PERs of 8.3x this year and 7.2x next year, respectively.

15 March 2023





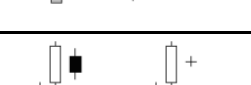
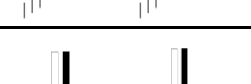


STOCK CALL MONITOR*

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
SAMCHEM HOLDINGS BHD	15/2/2023	Technical Buy	0.69	0.75	0.62	9%	-9%	1.00x	0.70	0.56	0.56	SL Hit	27/2/2023
SYMPHONY LIFE BHD	15/2/2023	Technical Buy	0.41	0.46	0.37	12%	-10%	1.25x	0.42	0.38	0.38	Open	
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	1.17	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	0.36	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	0.30	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	0.72	Open	
CNERGENZ BHD	24/2/2023	Technical Buy	0.87	0.97	0.79	12%	-10%	1.23x	0.96	0.85	0.90	Open	
QES GROUP BHD	24/2/2023	Technical Buy	0.64	0.71	0.58	11%	-9%	1.17x	0.65	0.58	0.59	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	0.70	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	1.41	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	0.77	Open	
SOLARVEST HOLDINGS BHD	3/3/2023	Technical Buy	0.92	1.02	0.82	11%	-11%	1.00x	0.97	0.85	0.88	Open	
GHL SYSTEMS BERHAD	7/3/2023	Technical Buy	0.94	1.05	0.83	12%	-11%	1.10x	0.94	0.88	0.90	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	0.48	Open	
UEM EDGENTA BHD	8/3/2023	Technical Buy	0.98	1.09	0.88	12%	-10%	1.21x	0.99	0.95	0.97	Open	
PEKAT GROUP BERHAD	9/3/2023	Technical Buy	0.46	0.52	0.41	13%	-11%	1.20x	0.46	0.41	0.42	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	0.46	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	2.30	Open	
NOTION VTEC BHD	10/3/2023	Technical Buy	0.36	0.39	0.32	10%	-10%	1.00x	0.36	0.33	0.33	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	






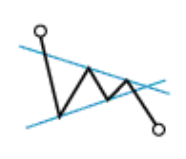

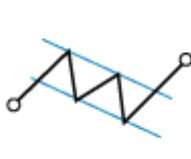


* Tracks our stock recommendations on a one-month rolling basis from issue date. Stock names will drop out from the list after one month from issue date regardless of their status.

[^] 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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