

17 March 2023

By Nigel Ng | nigel@kenanga.com.my

Daily technical highlights – (NCT, SAMAIDEN)

Daily Charting – NCT (Technical Buy)



About the Stock:		Key Support & Resistance Levels	
Name :	NCT Alliance Bhd	52 Week High/Low :	0.445/0.30
Bursa Code :	NCT	3-m Avg. Daily Vol. :	3,842,660
CAT Code :	0056	Free Float (%) :	34%
Market Cap :	RM424.6m	Beta vs. KLCI :	0.92
		Last Price :	RM0.345
		Resistance :	RM0.38 (R1) RM0.40 (R2)
		Stop Loss :	RM0.31

NCT Alliance Bhd (Technical Buy)

- NCT’s share price has slid from a peak of RM0.73 in March 2021 to a low of RM0.31 in January 2023 before making a rebound since then to hit a recent high of RM0.425. The shares closed at RM0.345 yesterday.
- Chart-wise, we believe the share price will resume its upward momentum as the Stochastic indicator is in the midst of climbing out from the oversold zone while the stock price has moved back above the lower Bollinger Band.
- Hence, we expect the stock to rise and test our resistance thresholds of RM0.38 (R1; 10% upside potential) and RM0.40 (R2; 16% upside potential).
- Conversely, our stop loss price has been identified at RM0.31 (representing a 10% downside risk).
- Fundamentally speaking, NCT is a real estate developer which offers property development services for various housing projects with a geographical presence mainly in Genting Highlands and Penang.
- Earnings-wise, the group reported a net profit of RM12.8m in 4QFY22 (compared with a net profit of RM17.0m in 4QFY21) mainly dragged by slower progress billings due to the raining season towards the end of last year. This took FY22 bottomline to RM43.2m (versus net profit of RM33.7m previously).
- In terms of valuation, the stock is currently trading at Price/Book Value multiple of 0.8x (or approximately at minus 0.5 SD from its historical mean) based on its book value per share of RM0.43 as of end-December 2022.

Daily Charting – SAMAIDEN (Technical Buy)



About the Stock:		Key Support & Resistance Levels	
Name : Samaiden Group Bhd	52 Week High/Low : 0.93/0.53	Last Price : RM0.90	
Bursa Code : SAMAIDEN	3-m Avg. Daily Vol. : 1,400,922	Resistance : RM1.00 (R1) RM1.08 (R2)	
CAT Code : 0223	Free Float (%) : 22%	Stop Loss : RM0.81	
Market Cap : RM344.6m	Beta vs. KLCI : 1.01		

Samaiden Group Bhd (Technical Buy)

- Listed back in October 2020, SAMAIDEN’s share price has slid from a peak of RM1.26 in January 2021 to as low as RM0.53 in July 2022 before making a rebound since then to close at RM0.90 yesterday.
- On the back of a recent breakout from the ascending triangle pattern, the share price is expected to continue its upward momentum backed by: (i) the DMI Plus pulling away from the DMI Minus, and (ii) the 12-day moving average still hovering above the 26-day moving average following the MACD golden cross in March.
- This could then lift the stock to challenge our resistance levels of RM1.00 (R1; 10% upside potential) and RM1.08 (R2; 20% upside potential).
- Our stop loss level is pegged at RM0.81 (representing a 10% downside risk).
- SAMAIDEN is principally involved in the engineering, procurement, construction & commissioning (EPCC) of solar photovoltaic (PV) systems and power plants. Its other business activities include the provision of renewable energy and environmental consulting services, as well as operation and maintenance (O&M) services.
- Earnings-wise, the group reported a net profit of RM2.6m in 2QFY23 compared with a net profit of RM2.3m in 2QFY22, driven by more EPCC works carried out during the period. This took 1HFY23 bottomline to RM5m (versus net profit of RM4.3m previously).
- Based on consensus forecasts, SAMAIDEN’s net earnings are projected to come in at RM17.4m in FY June 2023 and RM21.9m in FY June 2024, which translate to forward PERs of 19.8x this year and 15.7x next year, respectively.

17 March 2023

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			
ANN JOO RESOURCES BHD	17/02/2023	Technical Buy	1.39	1.54	1.25	11%	-10%	1.07x	1.43	1.14	1.19	SL Hit	24/02/2023
AEMULUS HOLDINGS BHD	17/02/2023	Technical Buy	0.39	0.43	0.35	10%	-10%	1.00x	0.39	0.35	0.37	SL Hit	02/03/2023
TALIWORKS CORP BHD	21/02/2023	Technical Buy	0.86	0.96	0.80	11%	-7%	1.50x	0.89	0.85	0.86	Open	
JEM SUNRISE BHD	21/02/2023	Technical Buy	0.26	0.29	0.23	14%	-10%	1.40x	0.28	0.24	0.24	Open	
PROLEXUS BHD	22/02/2023	Technical Buy	0.50	0.58	0.43	16%	-14%	1.14x	0.55	0.43	0.43	SL Hit	13/3/2023
IJM CORP BHD	22/02/2023	Technical Buy	1.57	1.72	1.43	10%	-9%	1.07x	1.72	1.56	1.60	TP Hit	09/03/2023
SYSTECH BHD	23/02/2023	Technical Buy	0.31	0.35	0.28	13%	-11%	1.14x	0.35	0.27	0.30	TP Hit	24/02/2023
HARN LEN CORP BHD	23/02/2023	Technical Buy	0.74	0.83	0.66	13%	-11%	1.19x	0.78	0.72	0.72	Open	
CNERGENZ BHD	24/02/2023	Technical Buy	0.87	0.97	0.79	12%	-10%	1.23x	0.96	0.85	0.90	Open	
QES GROUP BHD	24/02/2023	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	28/02/2023	Technical Buy	0.78	0.88	0.69	13%	-12%	1.11x	0.80	0.69	0.69	SL Hit	14/3/2023
LEONG HUP INTERNATIONAL BHD	28/02/2023	Technical Buy	0.49	0.54	0.43	11%	-11%	1.00x	0.53	0.48	0.51	Open	
KELINGTON GROUP BHD	01/03/2023	Technical Buy	1.51	1.70	1.34	13%	-11%	1.12x	1.56	1.39	1.40	Open	
SWIFT HAULAGE BHD	01/03/2023	Technical Buy	0.47	0.52	0.43	11%	-9%	1.25x	0.49	0.46	0.46	Open	
MTAG GROUP BHD	02/03/2023	Technical Buy	0.44	0.50	0.39	14%	-11%	1.20x	0.51	0.42	0.42	TP Hit	06/03/2023
KOBAY TECHNOLOGY BHD	02/03/2023	Technical Buy	2.58	2.90	2.30	12%	-11%	1.14x	2.66	2.45	2.48	Open	
JHM CONSOLIDATION BHD	03/03/2023	Technical Buy	0.79	0.88	0.70	12%	-11%	1.12x	0.86	0.76	0.77	Open	
SOLARVEST HOLDINGS BHD	03/03/2023	Technical Buy	0.92	1.02	0.82	11%	-11%	1.00x	0.97	0.85	0.85	Open	
GHL SYSTEMS BERHAD	07/03/2023	Technical Buy	0.94	1.05	0.83	12%	-11%	1.10x	0.94	0.85	0.86	Open	
JF TECHNOLOGY BHD	07/03/2023	Technical Buy	0.84	0.93	0.75	11%	-11%	1.00x	0.85	0.76	0.77	Open	
BETAMEK BHD	08/03/2023	Technical Buy	0.53	0.60	0.47	14%	-10%	1.36x	0.54	0.48	0.48	Open	
JEM EDGENTA BHD	08/03/2023	Technical Buy	0.98	1.09	0.88	12%	-10%	1.21x	0.99	0.95	0.98	Open	
PEKAT GROUP BERHAD	09/03/2023	Technical Buy	0.46	0.52	0.41	13%	-11%	1.20x	0.46	0.40	0.41	SL Hit	14/3/2023
RESOURCES HOLDINGS BHD PT	09/03/2023	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	10/03/2023	Technical Buy	2.42	2.70	2.18	12%	-10%	1.17x	2.44	2.28	2.30	Open	
NOTION VTEC BHD	10/03/2023	Technical Buy	0.36	0.39	0.32	10%	-10%	1.00x	0.36	0.33	0.34	Open	
BAHVEST RESOURCES BHD	14/03/2023	Technical Buy	0.28	0.32	0.24	16%	-13%	1.29x	0.29	0.28	0.28	Open	
YTL CORP BHD	14/03/2023	Technical Buy	0.57	0.63	0.51	12%	-10%	1.18x	0.57	0.56	0.56	Open	
MALAKOFF CORP BHD	15/03/2023	Technical Buy	0.68	0.75	0.61	11%	-10%	1.15x	0.69	0.66	0.66	Open	
DRB-HICOM BHD	15/03/2023	Technical Buy	1.39	1.58	1.22	14%	-12%	1.12x	1.43	1.36	1.38	Open	
HENG HUAT RESOURCES GROUP BH	16/03/2023	Technical Buy	0.48	0.54	0.42	14%	-12%	1.18x	0.48	0.45	0.46	Open	
RAMSSOL GROUP BHD	16/03/2023	Technical Buy	0.32	0.36	0.29	13%	-11%	1.14x	0.34	0.32	0.33	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

This document has been prepared for general circulation based on information obtained from sources believed to be reliable but we do not make any representations as to its accuracy or completeness. Any recommendation contained in this document does not have regard to the specific investment objectives, financial situation and the particular needs of any specific person who may read this document. This document is for the information of addressees only and is not to be taken in substitution for the exercise of judgement by addressees. Kenanga Investment Bank Berhad accepts no liability whatsoever for any direct or consequential loss arising from any use of this document or any solicitations of an offer to buy or sell any securities. Kenanga Investment Bank Berhad and its associates, their directors, and/or employees may have positions in, and may effect transactions in securities mentioned herein from time to time in the open market or otherwise, and may receive brokerage fees or act as principal or agent in dealings with respect to these companies.

Published by:

KENANGA INVESTMENT BANK BERHAD (15678-H)

Level 17, Kenanga Tower, 237, Jalan Tun Razak, 50400 Kuala Lumpur, Malaysia
 Telephone: (603) 2172 0880 Website E-mail: research@kenanga.com.my

