

26 April 2023

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Daily technical highlights – (CSCENIC, FFB)

Daily Charting – CSCENIC (Technical Buy)



About the Stock:		Key Support & Resistance Levels	
Name	: Classic Scenic Bhd	52 Week High/Low	: 1.44/0.64
Bursa Code	: CSCENIC	3-m Avg. Daily Vol.	: 2,138,282
CAT Code	: 7202	Free Float (%)	: 35.5
Market Cap	: RM204.4m	Beta vs. KLCI	: 0.8
		Last Price	: RM0.81
		Resistance	: RM0.91 (R1) RM1.03 (R2)
		Stop Loss	: RM0.74

Classic Scenic Bhd (Technical Buy)

- CSCENIC's share price is poised to stage a technical rebound after sliding from its peak of RM1.44 in mid-November last year to as low as RM0.795 last Wednesday (or back to where it was in early August last year). The shares closed at RM0.81 yesterday.
- A rising price action is currently anticipated following: (a) the stochastic indicator's unwinding from an oversold condition, (b) the existence of a bullish RSI bottom failure swing (which saw the indicator plotting higher lows in the oversold area as the price was drifting listlessly), and (iii) the appearance of several dragonfly doji candlesticks.
- On the chart, the stock could be making its way to challenge our resistance targets of RM0.91 (R1; 12% upside potential) and RM1.03 (R2; 27% upside potential).
- Our stop loss price level is placed at RM0.74 (representing a downside risk of 9%).
- A manufacturer and exporter of wooden picture frame mouldings, CSCENIC reported net profit of RM4.2m (+23% YoY) in 4QFY22, which brought FY December 2022's bottomline to RM19.0m (+196% YoY).
- Valuation-wise, the shares are currently trading at a Price / Book Value multiple of 1.25x (or at 0.5SD below its historical mean) based on its book value per share of RM0.65 as of end-December 2022.
- An added investment merit is its debt-free balance sheet that is backed by a cash position of RM24.1m (or 9.5 sen per share) as of end-December 2022.
- In terms of corporate development, CSCENIC is currently undertaking a 1-for-2 bonus issue exercise with the ex-entitlement date set on 10 May 2023.

Daily Charting – FFB (Technical Buy)



About the Stock:		Key Support & Resistance Levels	
Name	: Farm Fresh Bhd	52 Week High/Low	: 1.75/1.48
Bursa Code	: FFB	3-m Avg. Daily Vol.	: 1,413,342
CAT Code	: 5306	Free Float (%)	: 62.7
Market Cap	: RM2,787.8m	Beta vs. KLCI	: N.A.
		Last Price	: RM1.50
		Resistance	: RM1.65 (R1) RM1.75 (R2)
		Stop Loss	: RM1.37

Farm Fresh Bhd (Technical Buy)

- At yesterday’s close of RM1.50, FFB’s share price is presently hovering near its recent lows that had previously preceded subsequent rebounds thrice (in mid-June 2022, late September 2022 and late November 2022).
- A repeat of the lift-off may be on the cards as the shares have moved back above the lower Bollinger Band while the MACD is signalling a strengthening trend.
- Riding on the upward trajectory, the stock could advance towards our resistance thresholds of RM1.65 (R1; 10% upside potential) and RM1.75 (R2; 17% upside potential).
- We have set our stop loss price level at RM1.37 (or a downside risk of 9%).
- Listed in March last year, FFB is Malaysia’s largest integrated producer of dairy products made from fresh raw milk, operating six dairy farms and three processing facilities across Malaysia and Australia.
- The group made net profit of RM18.8m (+64% YoY) in 3QFY23, taking its 9MFY23’s bottomline to RM45.2m (-27% YoY).
- According to consensus forecasts, FFB is expected to show rising net profit trend of RM68.0m in FY March 2023, RM100.4m in FY March 2024 and RM121.8m in FY March 2025.
- Valuation-wise, FFB is currently trading at prospective PERs of 41.0x, 27.8x and 22.9x, respectively (with its 1-year rolling forward PER currently hovering at 2SD below its historical mean).

26 April 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
UEM SUNRISE BHD	28/3/2023	Technical Buy	0.25	0.30	0.21	20%	-16%	1.25x	0.29	0.25	0.26	Open	
PLS PLANTATIONS BHD	28/3/2023	Technical Buy	0.94	1.05	0.83	12%	-11%	1.10x	1.02	0.81	0.86	SL Hit	25/4/2023
CCK CONSOLIDATED HOLDINGS BHD	29/3/2023	Technical Buy	0.70	0.77	0.63	11%	-9%	1.15x	0.74	0.68	0.71	Open	
EASTERN & ORIENTAL BHD	29/3/2023	Technical Buy	0.31	0.36	0.27	16%	-13%	1.25x	0.38	0.31	0.34	TP Hit	12/4/2023
CNERGENZ BHD	30/3/2023	Technical Buy	0.84	0.96	0.74	14%	-12%	1.20x	0.95	0.84	0.93	Open	
TEXCHEM RESOURCES BERHAD	30/3/2023	Technical Buy	1.60	1.80	1.42	13%	-11%	1.11x	1.69	1.59	1.64	Open	
DATASONIC GROUP BHD	31/3/2023	Technical Buy	0.42	0.46	0.38	10%	-10%	1.00x	0.46	0.41	0.43	TP Hit	14/4/2023
NATIONGATE HOLDINGS BHD	31/3/2023	Technical Buy	1.21	1.34	1.09	11%	-10%	1.08x	1.35	1.20	1.31	TP Hit	14/4/2023
KIM HIN JOO BHD	4/4/2023	Technical Buy	0.21	0.25	0.18	19%	-14%	1.33x	0.23	0.21	0.21	Open	
CUSCAPI BHD	4/4/2023	Technical Buy	0.20	0.23	0.16	18%	-18%	1.00x	0.21	0.18	0.19	Open	
RESERVOIR LINK ENERGY BHD	5/4/2023	Technical Buy	0.34	0.39	0.29	15%	-15%	1.00x	0.35	0.32	0.33	Open	
SAMCHEM HOLDINGS BHD	5/4/2023	Technical Buy	0.58	0.66	0.52	14%	-10%	1.33x	0.59	0.57	0.58	Open	
CAREPLUS GROUP BHD	6/4/2023	Technical Buy	0.33	0.37	0.29	14%	-12%	1.13x	0.37	0.31	0.31	TP Hit	10/4/2023
V.S. INDUSTRY BERHAD	6/4/2023	Technical Buy	0.83	0.94	0.73	13%	-12%	1.10x	0.85	0.81	0.82	Open	
ELSOFT RESEARCH BHD	7/4/2023	Technical Buy	0.63	0.69	0.56	10%	-10%	1.00x	0.65	0.59	0.60	Open	
SOLARVEST HOLDINGS BHD	7/4/2023	Technical Buy	0.90	0.99	0.81	11%	-9%	1.12x	0.96	0.87	0.87	Open	
SKP RESOURCES BHD	11/4/2023	Technical Buy	1.27	1.45	1.12	14%	-12%	1.20x	1.31	1.22	1.30	Open	
KUB MALAYSIA BHD	11/4/2023	Technical Buy	0.50	0.55	0.44	11%	-11%	1.00x	0.57	0.48	0.55	TP Hit	25/4/2023
CJ CENTURY LOGISTICS HOLDING	12/4/2023	Technical Buy	0.49	0.56	0.43	14%	-12%	1.17x	0.52	0.48	0.51	Open	
CTOS DIGITAL BHD	12/4/2023	Technical Buy	1.29	1.41	1.17	9%	-9%	1.00x	1.40	1.28	1.39	Open	
COSMOS TECHNOLOGY INTERNATIO	13/4/2023	Technical Buy	0.51	0.58	0.45	13%	-12%	1.08x	0.53	0.47	0.47	Open	
INFOLINE TEC GROUP BHD	13/4/2023	Technical Buy	0.89	1.00	0.78	12%	-12%	1.00x	0.93	0.82	0.87	Open	
CORAZA INTEGRATED TECHNOLOGY	14/4/2023	Technical Buy	0.88	0.98	0.78	12%	-11%	1.11x	0.91	0.84	0.84	Open	
FIAMMA HOLDINGS BERHAD	14/4/2023	Technical Buy	1.05	1.18	0.94	12%	-10%	1.18x	1.09	0.99	1.00	Open	
OCK GROUP BHD	18/4/2023	Technical Buy	0.42	0.46	0.37	11%	-11%	1.00x	0.42	0.40	0.40	Open	
SOUTHERN CABLE GROUP BHD	18/4/2023	Technical Buy	0.32	0.36	0.29	13%	-11%	1.14x	0.32	0.30	0.31	Open	
TECHBOND GROUP BHD	19/4/2023	Technical Buy	0.41	0.45	0.37	11%	-9%	1.29x	0.41	0.39	0.39	Open	
SENHENG NEW RETAIL BHD	19/4/2023	Technical Buy	0.44	0.50	0.38	15%	-13%	1.18x	0.45	0.42	0.45	Open	
YBS INTERNATIONAL BHD	20/4/2023	Technical Buy	0.67	0.75	0.59	12%	-12%	1.00x	0.68	0.65	0.66	Open	
YEW LEE PACIFIC GROUP BHD	20/4/2023	Technical Buy	0.34	0.38	0.30	12%	-12%	1.00x	0.34	0.33	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

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