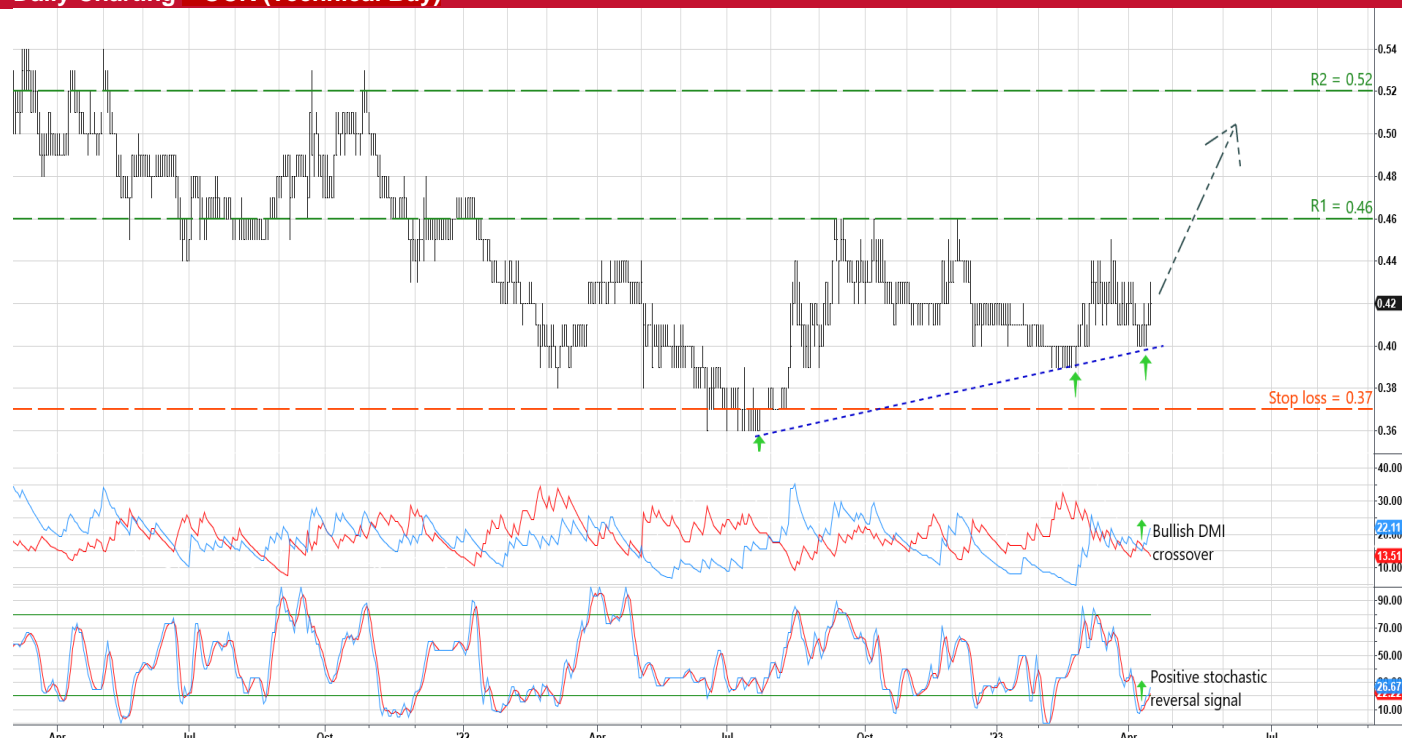


18 April 2023

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

Daily technical highlights – (OCK, SCGBHD)

Daily Charting – OCK (Technical Buy)

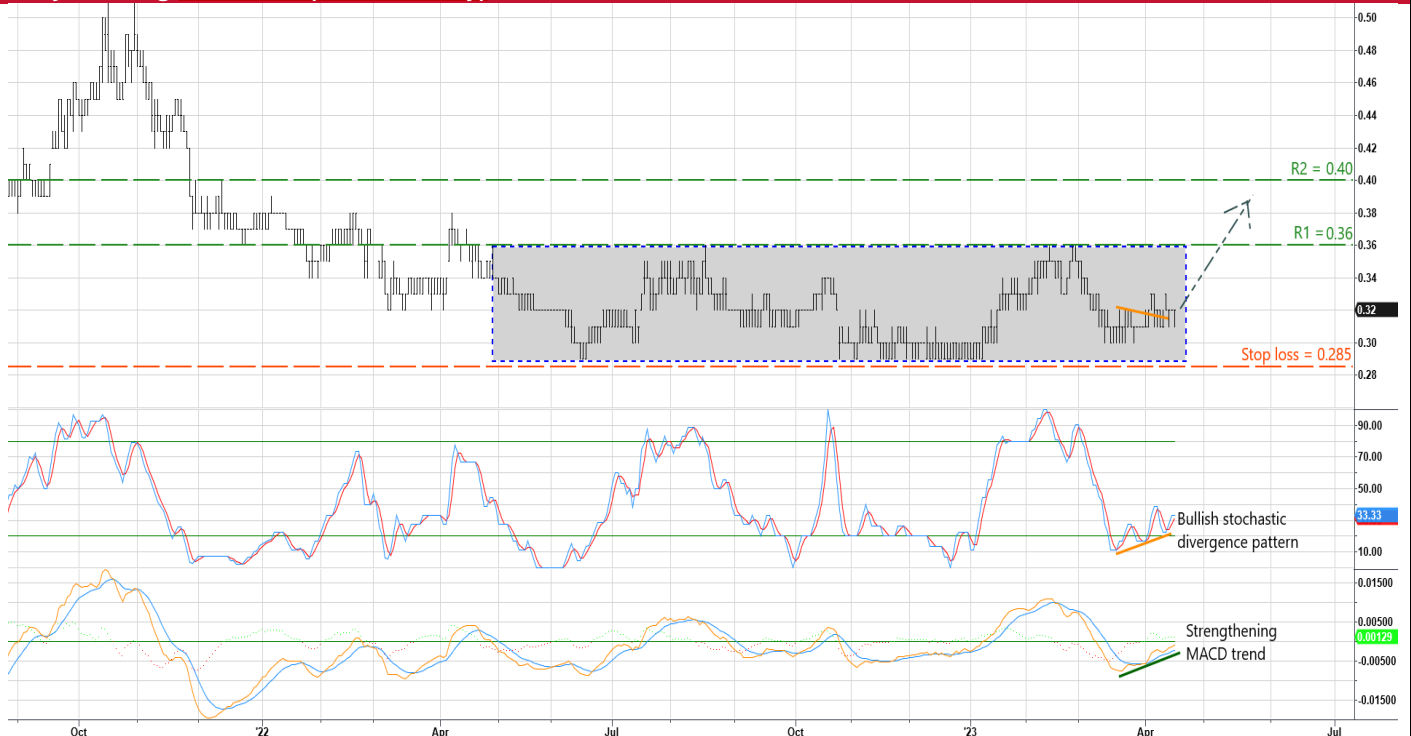


About the Stock:		Key Support & Resistance Levels	
Name	: OCK Group Bhd	52 Week High/Low	: 0.46/0.355
Bursa Code	: OCK	3-m Avg. Daily Vol.	: 2,841,478
CAT Code	: 0172	Free Float (%)	: 41.2
Market Cap	: RM437.7m	Beta vs. KLCI	: 0.5
		Last Price	: RM0.415
		Resistance	: RM0.46 (R1) RM0.52 (R2)
		Stop Loss	: RM0.37

OCK Group Bhd (Technical Buy)

- Following a foreign newswire report stating that the government plans to set up a second 5G network next year, OCK stands to benefit from an anticipated increase in infrastructure works for the rolling out of 5G networks by the telecommunication industry.
- Backed by an existing portfolio of more than 5,300 towers in Malaysia, Myanmar and Vietnam, the group is principally involved in the provision of telecommunication services with four major business divisions, namely (i) telecommunication network services, (ii) trading of telco and network products, (iii) green energy and power solutions, and (iv) M&E engineering services.
- It registered net profit of RM10.0m (+59% YoY) in 4QFY22, taking full-year FY December 2022's bottomline to RM33.7m (+33% YoY).
- According to consensus estimates, OCK is forecasted to make stronger net profit of RM39.5m for FY23 and RM50.1m for FY24, translating to forward PERs of 11.1x this year and 8.7x next year, respectively (with its 1-year rolling forward PER currently hovering at 1.5SD below its historical mean).
- Technically speaking, after bouncing off from a trough of RM0.355 in late July last year, plotting higher lows along the way, OCK shares are on track to extend the rising trajectory.
- An upward shift in the share price is on the cards following the crossover by the DMI Plus above the DMI Minus as the stochastic indicator unwinds from the oversold condition.
- On the chart, the stock could be making its way to challenge our resistance targets of RM0.46 (R1; 11% upside potential) and RM0.52 (R2; 25% upside potential).
- Our stop loss price level is pegged at RM0.37 (or a downside risk of 11% from its last traded price of RM0.415).

Daily Charting – SCGBHD (Technical Buy)



About the Stock:		Key Support & Resistance Levels	
Name	: Southern Cable Group Bhd	52 Week High/Low	: 0.385/0.285
Bursa Code	: SCGBHD	3-m Avg. Daily Vol.	: 2,689,620
CAT Code	: 0225	Free Float (%)	: 31.6
Market Cap	: RM256.0m	Beta vs. KLCI	: 0.9
		Last Price	: RM0.32
		Resistance	: RM0.36 (R1) RM0.40 (R2)
		Stop Loss	: RM0.285

Southern Cable Group Bhd (Technical Buy)

- From a charting standpoint, SCGBHD’s share price – which has been oscillating inside a rectangle pattern since end-April last year – will likely shift upwards ahead following the existence of a bullish stochastic divergence pattern (which saw the indicator plotting rising bottoms in the oversold area as the price was drifting listlessly) and the strengthening MACD trend.
- With that said, the stock could climb to challenge our initial resistance threshold of RM0.36 (R1), a break of which may then pave the way for the shares to reach our next resistance target of RM0.40 (R2). This represents upside potentials of 13% and 25%, respectively.
- We have placed our stop loss price level at RM0.285 (or a downside risk of 11%).
- Fundamental-wise, as a manufacturer of cables and wires that are used for power distribution and transmission, communications as well as control and instrumentation applications, SCGBHD is a proxy to infrastructure spending by the likes of Tenaga Nasional, Telekom Malaysia, Sarawak Energy, Sabah Electricity and Petrolia Nasional.
- In the most recent quarter ended December 2022, the group logged net profit of RM4.6m (+59% YoY), which brought FY December 2022’s bottomline to RM14.5m (+33% YoY).
- Forward earnings will be underpinned by an existing order book of RM578.4m (as of end-December 2022) to be recognized over the next 24 months.
- Based on its book value per share of RM0.36 as of end-December 2022, the stock is trading at a Price / Book Value multiple of 0.89x (or around its historical mean).

18 April 2023





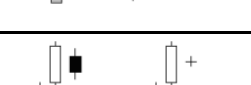
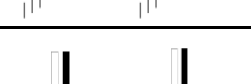


STOCK CALL MONITOR*

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
ATA IMS BHD	21/3/2023	Technical Buy	0.29	0.33	0.26	14%	-10%	1.33x	0.33	0.28	0.29	TP Hit	22/3/2023
PJBUMI BHD	21/3/2023	Technical Buy	0.80	0.90	0.70	13%	-12%	1.11x	0.80	0.67	0.68	SL Hit	27/3/2023
HIBISCUS PETROLEUM BHD	22/3/2023	Technical Buy	0.92	1.02	0.82	11%	-10%	1.11x	1.11	0.94	1.07	TP Hit	3/4/2023
INARI AMERTRON BHD	22/3/2023	Technical Buy	2.36	2.60	2.14	10%	-9%	1.09x	2.54	2.33	2.35	Open	
GENTING MALAYSIA BHD	23/3/2023	Technical Buy	2.56	2.82	2.30	10%	-10%	1.00x	2.72	2.55	2.64	Open	
POWER ROOT BHD	23/3/2023	Technical Buy	2.11	2.32	1.90	10%	-10%	1.00x	2.16	2.05	2.10	Open	
ASTRO MALAYSIA HOLDINGS BHD	24/3/2023	Technical Buy	0.71	0.80	0.62	13%	-12%	1.12x	0.73	0.62	0.71	SL Hit	28/3/2023
UZMA BHD	24/3/2023	Technical Buy	0.63	0.70	0.56	12%	-10%	1.15x	0.70	0.56	0.68	TP Hit	27/3/2023
UEM SUNRISE BHD	28/3/2023	Technical Buy	0.25	0.30	0.21	20%	-16%	1.25x	0.29	0.25	0.28	Open	
PLS PLANTATIONS BHD	28/3/2023	Technical Buy	0.94	1.05	0.83	12%	-11%	1.10x	1.02	0.92	0.94	Open	
CCK CONSOLIDATED HOLDINGS BH	29/3/2023	Technical Buy	0.70	0.77	0.63	11%	-9%	1.15x	0.74	0.68	0.72	Open	
EASTERN & ORIENTAL BHD	29/3/2023	Technical Buy	0.31	0.36	0.27	16%	-13%	1.25x	0.38	0.31	0.36	TP Hit	12/4/2023
CNERGENZ BHD	30/3/2023	Technical Buy	0.84	0.96	0.74	14%	-12%	1.20x	0.94	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	1.62	Open	
DATASONIC GROUP BHD	31/3/2023	Technical Buy	0.42	0.46	0.38	10%	-10%	1.00x	0.46	0.41	0.45	TP Hit	14/4/2023
NATIONGATE HOLDINGS BHD	31/3/2023	Technical Buy	1.21	1.34	1.09	11%	-10%	1.08x	1.34	1.20	1.30	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	0.23	Open	
CUSCAPI BHD	4/4/2023	Technical Buy	0.20	0.23	0.16	18%	-18%	1.00x	0.21	0.18	0.20	Open	
RESERVOIR LINK ENERGY BHD	5/4/2023	Technical Buy	0.34	0.39	0.29	15%	-15%	1.00x	0.35	0.33	0.34	Open	
SAMCHEM HOLDINGS BHD	5/4/2023	Technical Buy	0.58	0.66	0.52	14%	-10%	1.33x	0.59	0.57	0.57	Open	
CAREPLUS GROUP BHD	6/4/2023	Technical Buy	0.33	0.37	0.29	14%	-12%	1.13x	0.37	0.32	0.33	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	0.84	Open	
ELSOFT RESEARCH BHD	7/4/2023	Technical Buy	0.63	0.69	0.56	10%	-10%	1.00x	0.65	0.59	0.62	Open	
SOLARVEST HOLDINGS BHD	7/4/2023	Technical Buy	0.90	0.99	0.81	11%	-9%	1.12x	0.96	0.88	0.93	Open	
SKP RESOURCES BHD	11/4/2023	Technical Buy	1.27	1.45	1.12	14%	-12%	1.20x	1.31	1.26	1.29	Open	
KUB MALAYSIA BHD	11/4/2023	Technical Buy	0.50	0.55	0.44	11%	-11%	1.00x	0.50	0.48	0.50	Open	
CJ CENTURY LOGISTICS HOLDING	12/4/2023	Technical Buy	0.49	0.56	0.43	14%	-12%	1.17x	0.52	0.49	0.51	Open	
CTOS DIGITAL BHD	12/4/2023	Technical Buy	1.29	1.41	1.17	9%	-9%	1.00x	1.33	1.29	1.31	Open	
COSMOS TECHNOLOGY INTERNATIO	13/4/2023	Technical Buy	0.51	0.58	0.45	13%	-12%	1.08x	0.53	0.50	0.50	Open	
INFOLINE TEC GROUP BHD	13/4/2023	Technical Buy	0.89	1.00	0.78	12%	-12%	1.00x	0.93	0.88	0.88	Open	
CORAZA INTEGRATED TECHNOLOGY	14/4/2023	Technical Buy	0.88	0.98	0.78	12%	-11%	1.11x	0.91	0.87	0.88	Open	
FIAMMA HOLDINGS BERHAD	14/4/2023	Technical Buy	1.05	1.18	0.94	12%	-10%	1.18x	1.09	1.05	1.06	Open	






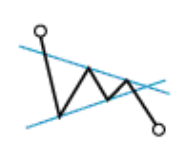

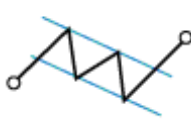


* Tracks our stock recommendations on a one-month rolling basis from issue date. Stock names will drop out from the list after one month from issue date regardless of their status.

[^] 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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