

24 May 2023

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Daily technical highlights – (MBL, YEWLEE)

Daily Charting – MBL (Technical Buy)



About the Stock:		Key Support & Resistance Levels	
Name	Muar Ban Lee Group Bhd	52 Week High/Low	: 0.555/0.335
Bursa Code	: MBL	3-m Avg. Daily Vol.	: 433,420
CAT Code	: 5152	Free Float (%)	: 42.8
Market Cap	: RM117.2m	Beta vs. KLCI	: 0.8
		Last Price	: RM0.515
		Resistance	: RM0.56 (R1) RM0.60 (R2)
		Stop Loss	: RM0.47

Muar Ban Lee Group Bhd (Technical Buy)

- A continuation of MBL’s share price rally – which started from a trough of RM0.335 in early August last year before closing at RM0.515 yesterday – is anticipated as the shares are set to bounce off from the 100-day SMA ahead.
- Riding on the positive momentum and strengthening stochastic signal, the stock could stage a breakout from the pennant pattern.
- An upward shift is expected to lift the shares to climb towards our resistance thresholds of RM0.56 (R1; 9% upside potential) and RM0.60 (R2; 17% upside potential).
- We have placed our stop loss price level at RM0.47 (representing a downside risk of 9%).
- MBL is involved in 3 main business activities, namely: (i) manufacturing division, providing integrated engineering solutions and supplying oil seed crushing machineries, ancillary equipment and related parts, (ii) automotive division via its operation of 3 Proton dealership outlets, and (iii) plantation division comprising an oil palm plantation in Kelantan and durian plantations in Johor.
- The group reported net profit of RM46.6m (+323% YoY) in 4QFY22, taking FY22’s bottomline to RM67.1m (+268% YoY).
- Its balance sheet – which is backed by net cash position of RM106.3m (translating to RM0.47 per share or 91% of its current share price) – shows that the group is financially stable.
- Based on its book value per share of RM0.91 as of end-December 2022, the stock is presently trading at Price / Book Value multiple of 0.56x (or at 1SD below its historical mean).
- In terms of corporate development, MBL is in the midst of undertaking a bonus issue of 113.8m warrants on the basis of 1 warrant for every 2 existing MBL shares held with the entitlement date to be determined later.



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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 [^]	Date Status Fulfilled
			RM	RM	RM	%	%		RM	RM			
CLASSIC SCENIC BHD #	26/4/2023	Technical Buy	0.54	0.61	0.49	13%	-9%	1.40x	0.65	0.51	0.51	TP Hit	11/5/2023
FARM FRESH BHD	26/4/2023	Technical Buy	1.50	1.65	1.37	10%	-9%	1.15x	1.58	1.49	1.56	Open	
DIALOG GROUP BHD	27/4/2023	Technical Buy	2.30	2.55	2.10	11%	-9%	1.25x	2.38	2.09	2.13	SL Hit	22/5/2023
VOLCANO BHD	27/4/2023	Technical Buy	0.82	0.93	0.73	13%	-11%	1.22x	0.99	0.82	0.98	TP Hit	17/5/2023
PEKAT GROUP BERHAD	28/4/2023	Technical Buy	0.41	0.45	0.36	11%	-11%	1.00x	0.42	0.38	0.40	Open	
SAMAIDEN GROUP BHD	28/4/2023	Technical Buy	0.89	0.99	0.81	11%	-9%	1.25x	0.97	0.87	0.94	Open	
GDEX BHD	3/5/2023	Technical Buy	0.20	0.25	0.15	25%	-25%	1.00x	0.21	0.18	0.18	Open	
POS MALAYSIA BERHAD	3/5/2023	Technical Buy	0.56	0.61	0.51	10%	-8%	1.22x	0.56	0.53	0.54	Open	
NCT ALLIANCE BHD	5/5/2023	Technical Buy	0.37	0.42	0.32	14%	-14%	1.00x	0.38	0.35	0.37	Open	
POWER ROOT BHD	5/5/2023	Technical Buy	2.16	2.40	1.94	11%	-10%	1.09x	2.26	2.01	2.07	Open	
ECONPILE HOLDINGS BHD	9/5/2023	Technical Buy	0.22	0.25	0.18	16%	-16%	1.00x	0.23	0.18	0.18	SL Hit	23/5/2023
ALLIANCE BANK MALAYSIA BHD	9/5/2023	Technical Buy	3.39	3.75	3.06	11%	-10%	1.09x	3.39	3.30	3.33	Open	
JHM CONSOLIDATION BHD	10/5/2023	Technical Buy	0.76	0.85	0.67	13%	-11%	1.12x	0.80	0.76	0.77	Open	
PERAK TRANSIT BHD	10/5/2023	Technical Buy	1.01	1.14	0.90	13%	-11%	1.18x	1.14	1.01	1.10	TP Hit	11/5/2023
MY EG SERVICES BHD	11/5/2023	Technical Buy	0.79	0.89	0.69	13%	-12%	1.05x	0.81	0.77	0.77	Open	
RAMSSOL GROUP BHD	11/5/2023	Technical Buy	0.38	0.43	0.34	12%	-12%	1.00x	0.40	0.34	0.36	Open	
ANCOM NYLEX BHD	12/5/2023	Technical Buy	1.00	1.10	0.90	10%	-10%	1.00x	1.02	1.00	1.01	Open	
SOLARVEST HOLDINGS BHD	12/5/2023	Technical Buy	0.87	0.96	0.78	11%	-10%	1.12x	1.02	0.86	1.00	TP Hit	18/5/2023
HENG HUAT RESOURCES GROUP BH	16/5/2023	Technical Buy	0.32	0.36	0.28	13%	-13%	1.00x	0.35	0.32	0.34	Open	
UMEDIC GROUP BHD	16/5/2023	Technical Buy	0.76	0.86	0.67	13%	-13%	1.00x	0.78	0.72	0.73	Open	
MALAKOFF CORP BHD	17/5/2023	Technical Buy	0.67	0.74	0.61	10%	-9%	1.17x	0.69	0.67	0.68	Open	
CYPARK RESOURCES BHD	17/5/2023	Technical Buy	0.73	0.82	0.63	13%	-13%	1.00x	0.75	0.70	0.71	Open	
CORAZA INTEGRATED TECHNOLOGY	18/5/2023	Technical Buy	0.82	0.90	0.73	10%	-10%	1.00x	0.83	0.75	0.75	Open	
KIM TECK CHEONG CONSOLIDATED	18/5/2023	Technical Buy	0.24	0.27	0.21	13%	-13%	1.00x	0.25	0.23	0.24	Open	
AJIYA BHD	19/5/2023	Technical Buy	1.53	1.71	1.36	12%	-11%	1.06x	1.54	1.52	1.52	Open	
QES GROUP BHD	19/5/2023	Technical Buy	0.54	0.60	0.48	11%	-11%	1.00x	0.56	0.53	0.53	Open	
LTKM BHD	23/5/2023	Technical Buy	1.43	1.62	1.28	13%	-10%	1.27x	1.45	1.43	1.45	Open	
PMB TECHNOLOGY BHD	23/5/2023	Technical Buy	3.89	4.30	3.51	11%	-10%	1.08x	3.93	3.79	3.79	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.

Share price data for CSCENIC has been adjusted for a 1-for-2 bonus issue (following its ex-entitlement date on 10 May 2023).

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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Published by:

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