

04 July 2019

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Source: Bloomberg, Kenanga Research

Basic Data				Technical Ratings			
52-week High	1,826.90		(in Million)	Resistance 2	1,730	MACD	Bullish
52-week Low	1,572.03	KLCI Vol	105.63	Resistance 1	1,700	RSI (14)	Neutral
Current Level	1,690.05	Bursa Vol	3010.7	Current Level	1,690.05	Stochastic	Overbought
Intraday High	1,690.05	Bursa Val	1822.99	Support 1	1,650		
Intraday Low	1,683.24			Support 2	1,600	Outlook	Bullish

Asian markets end lower on trade worries

- Major Asian markets ended lower as investor sentiment was dampened by global trade concerns.
- Similarly, the FBMKLCI slid 0.95 points (-0.06%) to end at 1,690.05.
- Chart-wise, the index has broken above its previous swing high of 1,682.23 after a short a consolidation phase. We believe the underlying trend remains bullish as the index remains above its key SMAs.
- From here, resistances can be found at 1,700 (R1). A break above should see the index trend higher towards 1,730 (R2).
- Conversely, downside supports can be identified at 1,650 (S1) and 1,600 (S2).

Dow ended at a record high

- Wall Street ended higher as global shift towards looser monetary policy. Besides, tariff ceasefire has also lifted stocks.
- The Dow gained 179.32 points (+0.67%), closing at a record high of 26,966.00.
- Chart-wise, the index is in the midst of testing the 27,000-level. The underlying trend of the index remains bullish with the index trading above all key SMAs, while its 20- and 50-day SMAs have shown “Golden-Cross” formation, which leads us to believe that there could be more room for upside.
- Look out for a break above 27,000 (R1), which would then spur the index higher towards 27,800 (R2), while downside supports can be found at 25,500 (S1) and 24,800 (S2).

Daily technical highlights – (DSONIC, GCB)

DSONIC (Not Rated)

- DSONIC gained 4.5 sen (+6.87%) to close at RM0.700 yesterday.
- Chart-wise, the share has been on a rally after breaking above its 100-day SMA in June-19. Yesterday’s candlestick saw a formation of a long upper wick, signifying selling pressure.
- Coupled with overbought signals from RSI and Stochastic indicators, we believe the share is likely to retrace.
- Immediate support levels can be identified at RM0.660 (S1) and RM0.615 (S2). However, should buying momentum continue, look out for resistances at RM0.730 (R1) and RM0.800 (R2).

GCB (Not Rated)

- Yesterday, GCB fell 12.0 sen (-3.36%) to end at RM3.45.
- The share has broken below its 100-day SMA for the first time since May-2018 and the share has failed to break above its 20-day SMA recently.
- We believe the tides have turned. Coupled with its 20 and 100-day SMAs in a “Death-Cross” formation, we believe the share is likely to trend lower.
- Fibonacci suggests support levels can be found at RM3.13 (S1) and RM2.78 (S2). Resistances, on the other hand, can be identified at RM3.55 (R1) and RM3.73 (R2).

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Figure 2: Daily Charting – Dow Jones Industrial Average



Source: Bloomberg, Kenanga Research

Figure 3: Daily Charting – Datasonic Group Berhad (Not Rated)



Source: Bloomberg, Kenanga Research

About the stock:

Name	:	Datasonic Group Berhad
Bursa Code	:	DSONIC
CAT Code	:	5216
Shariah Compliant	:	Yes
Market Cap	:	945.0
52 Week High/Low	:	0.9/0.3
3-m Avg. Daily Vol.	:	6,191,867.00
Free Float (%)	:	90.32%
Beta vs. KLCI	:	1.8

Key Support & Resistance Level

Resistance	:	RM0.730 (R1) RM0.800 (R2)
Support	:	RM0.660 (S1) RM0.615 (S2)
Outlook	:	Neutral

What does the indicator says

MACD	:	Bullish
RSI	:	Overbought
Stochastic	:	Overbought
Trend	:	Bullish

What should you do

Current Share Price	:	RM0.700
Technical Target	:	-
Technical Cut-loss	:	-

Fundamental Call

Kenanga	:	-
Consensus	:	RM0.600

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Figure 4: Daily Charting – Guan Chong Berhad (Not Rated)



About the stock:

Name : Guan Chong Berhad
Bursa Code : GCB
CAT Code : 5102
Shariah Compliant : No
Market Cap : 1,648.4
52 Week High/Low : 4.24/1.64
3-m Avg. Daily Vol. : 383,634.40
Free Float (%) : 93.91%
Beta vs. KLCI : 0.8

Key Support & Resistance Level

Resistance : RM3.55 (R1) RM3.73 (R2)
Support : RM3.13 (S1) RM2.78 (S2)
Outlook : Bearish

What does the indicator says

MACD : Bearish
RSI : Neutral
Stochastic : Neutral
Trend : Bearish

What should you do

Current Share Price : RM3.45
Technical Target : -
Technical Cut-loss : -

Fundamental Call

Kenanga : -
Consensus : -

Source: Bloomberg, Kenanga Research

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Unrealised Positions (July 2019)

No	CATS Code	Stock Name	Issued Date (ID)	Price @ ID	Target Price	Stop-Loss	Upside Potential @ ID	Downside Risk @ ID	Reward/Risk Ratio @ ID	Last Price	Dividend Received since ID	Gain/Loss (incl. Div.)	Gain/Loss	Rating	Comment/ Action
					RM	RM	(%)	(%)	(x)	RM	RM	RM	(%)		
1	6599	AEON CO (M) BHD	28-Sep-18	1.740	1.950	1.620	12.07%	-6.90%	1.8	1.700		-0.04	-2.30%	BUY	
2	0080	STRAITS INTER LOGISTICS BHD	22-Feb-19	0.240	0.300	0.200	25.00%	-16.67%	1.5	0.225		-0.02	-6.25%	BUY	
3	7579	AWC BERHAD	27-Feb-19	0.770	0.865	0.675	12.34%	-12.34%	1.0	0.735		-0.04	-4.55%	BUY	
		Simple Average					16.47%	-11.97%	1.42				-4.36%		





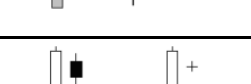

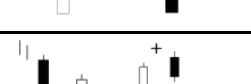
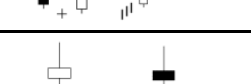
*Tracker does not include Non-Rated positions

Realised Positions (July 2019)

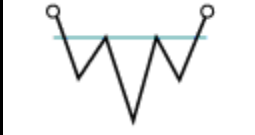
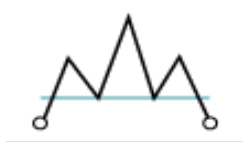
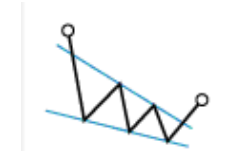

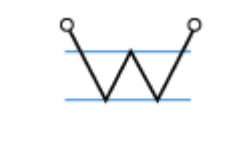

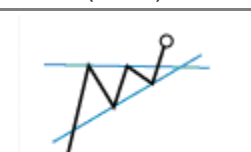
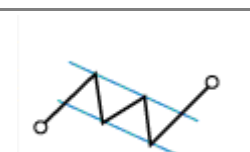
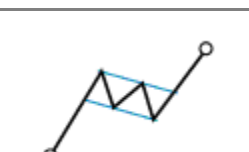

No	CATS Code	Stock Name	Issued Date	Buy Price	Price since Buy Date	Price change since Buy Date (%)	Sell Date	Sell Price	Dividend Received since ID	Gain/Loss (incl. Div.)	Gain/Loss	Rating	Comment/ Action
					(H)	(L)	(H)	(L)	RM	RM	RM	(%)	
		Simple Average											

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Basic 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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