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Figure 1: Daily Charting – FBMKLCI

Source: Bloomberg, Kenanga Research

Basic Data				
52-week High	1,826.90			**(in Million)**
52-week Low	1,572.03		**KLCI Vol**	92.70
Current Level	1,589.82		**Bursa Vol**	1935.84
Intraday High	1,592.13		**Bursa Val**	1541.57
Intraday Low	1,585.66			

Technical Ratings				
Resistance 2	1,650		**MACD**	Bearish
Resistance 1	1,630		**RSI (14)**	Neutral
Current Level	1,589.82		**Stochastic**	Oversold
Support 1	1,570			
Support 2	1,550		**Outlook**	Bearish

Asian stocks mixed following the deepening of U.S. yield curve

- Asian markets ended mixed following a shift in spotlight towards the inverted U.S. Treasury yield curve.
- Back home, the FBMKLCI fell 1.02 points (-0.06%) to end at 1589.82.
- Chart-wise, the underlying trend of the index remains bearish as the index remains below all its key-SMAs. However, we do not discount the possibility of a technical-rebound given that stochastic has been in oversold territory for a long period (around 1 month).
- Look out for overhead resistance levels at 1,630 (R1) and 1,650 (R2).
- Should selling pressure continue, key support levels to keep an eye on are 1,570 (S1) and 1,550 (S2).

U.S. stocks recover as recession fears ebb

- Wall Street ended higher as strong oil demand helped cushion recession worries.
- Similarly, the Dow gained 258.20 points (+1.00%) to close at 26,036.10.
- However, given that the index remains below its key SMAs, the underlying trend of the index continues to remain bearish.
- Nonetheless, as we observe similar patterns as Nov 2018, we do not discount the possibility of a rebound rally.
- From here on, support levels can be identified at 24,800 (S1) and 24,200 (S2), while resistance levels can be found at 26,700 (R1) and 27,800 (R2).

Daily technical highlights – (TIMECOM, REDTONE)

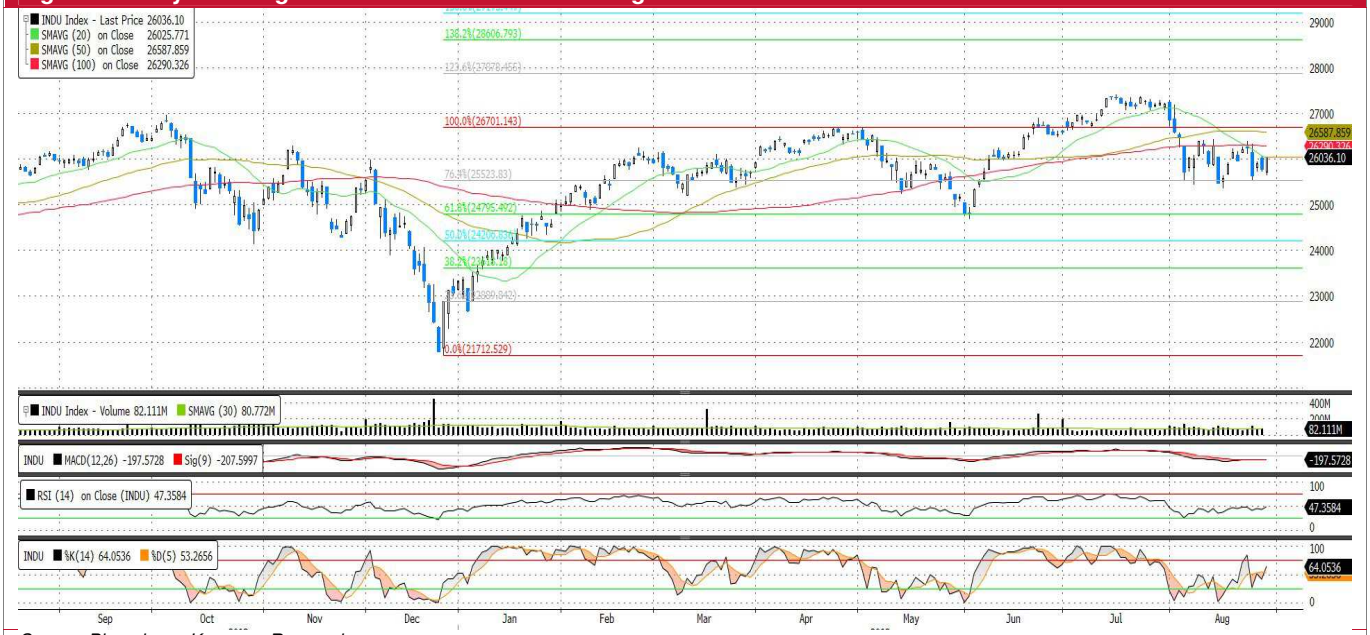
TIMECOM (Not Rated)

- TIMECOM gained 21.0 sen (+2.36%) to close at RM9.11 yesterday.
- Chart-wise, the share has broken above the key SMAs coupled with higher-than-average trading volume signalling that the share could move higher.
- Besides, we noted that the breakout formed yesterday also shown the completion of the “Rounding Bottom” chart pattern which further support the bullish trend.
- Should the upside momentum continue, the resistance level can be found at RM9.30 (R1) and RM9.60 (R2).
- Conversely, support level can be found at RM8.80 (S1) and RM8.50 (R2).

REDTONE (Not Rated)

- REDTONE gained 2.0 sen (+5.13%) to end at RM0.410, on the back of stronger-than-average trading volumes.
- Chart-wise, the share has been on a steady uptrend after bottoming out in Dec’18.
- Of late, the share has been trading above all of its key SMAs. Coupled with a bullish MACD crossover, we believe that there could be more upside.
- Should buying momentum persist, overhead resistances can be seen at RM0.515 (R1) and RM0.565 (R2).
- Conversely, key support levels can be identified RM0.340 (S1) and RM0.275 (S2).

Figure 2: Daily Charting – Dow Jones Industrial Average



Source: Bloomberg, Kenanga Research

Figure 3: Daily Charting – Time Dotcom Berhad (Not Rated)

About the stock:

Name	:	Time Dotcom Berhad
Bursa Code	:	TIMECOM
CAT Code	:	5031
Shariah Compliant	:	Yes
Market Cap	:	5,334.2
52 Week High/Low	:	9.35/7.41
3-m Avg. Daily Vol.	:	325,941.30
Free Float (%)	:	89.84%
Beta vs. KLCI	:	0.682

Key Support & Resistance Levels

Resistance	:	RM9.30 (R1)	RM9.60 (R2)
Support	:	RM8.80 (S1)	RM8.50 (S2)
Outlook	:	Bullish	

What does the indicator says

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

What should you do

Current Share Price	:	RM9.11
Technical Target	:	-
Technical Cut-loss	:	-

Fundamental Call

Kenanga	:	-
Consensus	:	RM10.28

Source: Bloomberg, Kenanga Research

Figure 4: Daily Charting – Redtone International Bhd (Not Rated)

About the stock:		
Name	:	Redtone International Bhd
Bursa Code	:	REDTONE
CAT Code	:	0032
Shariah Compliant	:	No
Market Cap	:	307.2
52 Week High/Low	:	0.47/0.15
3-m Avg. Daily Vol.	:	2,569,779.00
Free Float (%)	:	82.11%
Beta vs. KLCI	:	1.621

Key Support & Resistance Levels		
Resistance	:	RM0.515 (R1) RM0.565 (R2)
Support	:	RM0.340 (S1) RM0.275 (S2)
Outlook	:	Bullish

What does the indicator says		
MACD	:	Bullish
RSI	:	Neutral
Stochastic	:	Neutral
Trend	:	Bullish

What should you do		
Current Share Price	:	RM0.410
Technical Target	:	-
Technical Cut-loss	:	-

Fundamental Call		
Kenanga	:	-
Consensus	:	-

Source: Bloomberg, Kenanga Research

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Unrealised Positions (August 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	1.540		-0.20	-11.49%	BUY	
2	0080	STRAITS INTER LOGISTICS BHD	22-Feb-19	0.240	0.300	0.200	25.00%	-16.67%	1.5	0.200		-0.04	-16.67%	BUY	
3	7579	AWC BERHAD	27-Feb-19	0.770	0.865	0.675	12.34%	-12.34%	1.0	0.605		-0.17	-21.43%	BUY	
		Simple Average					**16.47%**	**-11.97%**	**1.42**				**-16.53%**		

*Tracker does not include Non-Rated positions

Realised Positions (August 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													

Basic Technical Terms:

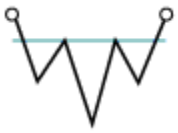
Reversal Candlesticks	Patterns	Description
Doji **Dragonfly Doji** (Bullish) **Gravestone Doji** (Bearish)		Dojis form when a security's open and close are virtually equal. The length of the upper and lower shadows can vary, and the resulting candlestick looks like, either, a cross, inverted cross, or 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

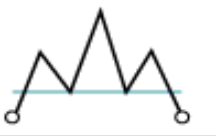
Common Chart Patterns

Reversal Patterns

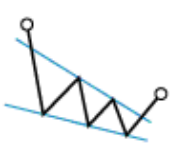
Inverted Head & Shoulders (Bullish)



Head & Shoulders (Bearish)



Wedge Reversal (Bullish/ Bearish)



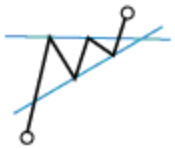
Double Top (Bearish)

Double Bottom (Bullish)

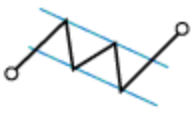
Continuation Patterns

Symmetrical Triangle (Bullish/ Bearish)

Ascending Triangle (Bullish)



Channels (Bullish/ Bearish)



Flags (Bullish/ Bearish)

Pennant (Bullish/ Bearish)

Source: Various

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Published and printed by:

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