

27 September 2019

By **Nikki Thang** / nikkithang@kenanga.com.my; **Koh Huat Soon** / hskoh@kenanga.com.my

Figure 1: Daily Charting – FBMKLCI



Source: Bloomberg, Kenanga Research

Basic Data		Technical Ratings	
52-week High	1,803.71	Resistance 2	1,650
52-week Low	1,572.03	Resistance 1	1,630
Current Level	1,593.00	Current Level	1,593.00
Intraday High	1,593.05	Support 1	1,570
Intraday Low	1,589.21	Support 2	1,550
		MACD	Bullish
		RSI (14)	Neutral
		Stochastic	Oversold
		Outlook	Bearish

Asian stocks mixed following U.S.-Japan’s trade deal

- Asian stocks ended mixed yesterday as the U.S.-Japan trade deal managed to excite a few Asian markets.
- Back home, the FBMKLCI gained 3.42 points (+0.22%) to end at 1,593.00.
- Chart-wise, the underlying trend of the index remains bearish as the index remains below all of its key SMAs.
- Key support levels to watch out for are 1,570 (S1) and 1,550 (S2).
- Conversely, overhead resistance levels can be found at 1,630 (R1) and 1,650 (R2).

U.S. stocks dip as impeachment worries worsen

- Yesterday, Wall Street was down as the release of a whistle blower report adds to the potential of an impeachment.
- The Dow extended losses by losing 79.59 points (-0.30%) to close at 26,891.12.
- Chart-wise the underlying trend of the index remains intact as the index remains above all key SMAs. With room for further uptick on RSI, we believe momentum remains strong and that the index could re-test the 27,400 level.
- From here on, resistance levels can be identified at 27,400 (R1) and 28,000 (R2), while support levels can be found at 26,800 (S1) and 26,400 (S2).

Daily technical highlights – (GTRONIC, REDTONE)

GTRONIC (Not Rated)

- GTRONIC rose 23.0 sen (+11.98%) to close at RM2.15 yesterday.
- Chart-wise, the share has been consolidating between a range of RM1.36 and RM2.10 since the beginning of this year. Notably, yesterday’s long white candlestick managed to punch through and close above the key resistance level at RM2.10.
- Should buying momentum persists to hold the share above the foresaid key level, expect the share to trend higher to test resistances at RM2.32 (R1) and RM2.55 (R2)
- On the other hand, support levels can be found at RM1.82 (R1) and RM1.37 (R2).

REDTONE (Not Rated)

- Yesterday, REDTONE gained 1.0 sen (+2.27%) to close at RM0.450.
- Chart-wise, the share has been on a steady uptrend since March this year, which saw the share currently trading above all of its key-SMAs.
- With room for further upticks on RSI and Stochastic indicators, we believe that the share may be poised for more upside possibility.
- Key resistance levels to look out for are RM0.515 (R1) and RM0.565 (R2).
- Conversely, downside supports can be identified at RM0.340 (S1) and RM0.275 (S2).

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Figure 2: Daily Charting – Dow Jones Industrial Average



Figure 3: Daily Charting – Globetronics Technology Berhad (Not Rated)



About the stock:

Name	: Globetronics Technology Berhad
Bursa Code	: GTRONIC
CAT Code	: 7022
Shariah Compliant	: Yes
Market Cap	: 1,439.3
52 Week High/Low	: 2.53/1.37
3-m Avg. Daily Vol.	: 1,380,552.00
Free Float (%)	: 64.76%
Beta vs. KLCI	: 1.0

Key Support & Resistance Levels

Resistance	: RM2.32 (R1)	RM2.55 (R2)
Support	: RM1.82 (S1)	RM1.37 (S2)
Outlook	: Bullish	

What does the indicator says

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

What should you do

Current Share Price	: RM2.15
Technical Target	: -
Technical Cut-loss	: -

Fundamental Call

Kenanga	: -
Consensus	: RM1.68

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



About the stock:

Name	: Redtone International Berhad
Bursa Code	: REDTONE
CAT Code	: 0032
Shariah Compliant	: No
Market Cap	: 337.2
52 Week High/Low	: 0.5/0.15
3-m Avg. Daily Vol.	: 4,497,047.00
Free Float (%)	: 73.84%
Beta vs. KLCI	: 1.622

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	: RM0.450
Technical Target	: -
Technical Cut-loss	: -

Fundamental Call

Kenanga	: -
Consensus	: -

Source: Bloomberg, Kenanga Research

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Unrealised Positions (September 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	1.470		-0.27	-15.52%	BUY	
2	0080	STRAITS INTER LOGISTICS BHD	22-Feb-19	0.240	0.300	0.200	25.00%	-16.67%	1.5	0.210		-0.03	-12.50%	BUY	
3	7579	AWC BERHAD	27-Feb-19	0.770	0.865	0.675	12.34%	-12.34%	1.0	0.625		-0.15	-18.83%	BUY	
		Simple Average					16.47%	-11.97%	1.42				-15.62%		

*Tracker does not include Non-Rated positions

Realised Positions (September 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		
		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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KENANGA INVESTMENT BANK BERHAD (15678-H)

Level 17, Kenanga Tower, 237, Jalan Tun Razak, 50400 Kuala Lumpur, Malaysia

Telephone: (603) 2172 0880 Website: www.kenanga.com.my E-mail: research@kenanga.com.my

