

04 September 2019

By Chan Ken Yew / kychan@kenanga.com.my



Source: Bloomberg, Kenanga Research

Basic Data				Technical Ratings			
52-week High	1,823.24		(in Million)	Resistance 2	1,650	MACD	Bearish
52-week Low	1,572.03	KLCI Vol	105.35	Resistance 1	1,630	RSI (14)	Neutral
Current Level	1,591.52	Bursa Vol	2259.58	Current Level	1,591.52	Stochastic	Oversold
Intraday High	1,616.34	Bursa Val	1588.48	Support 1	1,570		
Intraday Low	1,591.52			Support 2	1,550	Outlook	Bearish

Asian market mixed as trade tension escalated

- Asian markets mostly end lower as market worries on global recession cause by escalated trade tension, after US and China imposed additional tariff on each other’s goods over the weekend.
- Back home, the FBMKLCI dropped 20.62 points (-1.28%) to close at 1,591.52.
- Chart-wise, the index has broken below the 20-days SMA with a long bearish candlestick yesterday subdued on rising trade tension. We opine that the outlook for the index remains bearish in tandem with bearish key indicator.
- Should selling pressure continue, key support levels to keep an eye on are 1,570 (S1) and 1,550 (S2).
- Conversely, overhead resistance levels can be found at 1,630 (R1) and 1,650 (R2).

Wall Street drop after US shown weak manufacturing data

- Wall Street close lower as market worries on softer global growth after authority announced US manufacturing activity contracted last month.
- Similarly, the Dow lost 285.26 points (-1.08%) to close at 26,118.02.
- Chart-wise, the index has gapped down and broken the 50- and 100-day SMAs yesterday. However, as the index still trading upward, further signals are required to confirm the trend reversal.
- From here on, resistance levels can be found at 26,700 (R1) and 27,800 (R2), while support levels can be identified at 24,800 (S1) and 24,200 (S2).

Daily technical highlights – (PETDAG, PENTA)

PETDAG (Not Rated)

- PETDAG dropped RM1.46 (-6.38%) to close at RM21.42 yesterday.
- Chart-wise, the share has been trading downward after it broken below the key SMAs on July-2019.
- Yesterday, the share has formed a bearish engulfing candlestick pattern with a long body engulfing the previous three candlesticks indicating a strong selling pressure over the stock. We believe the share could continue to move downward in view of strong market sell down.
- Should the downside momentum continue, the support levels can be found at RM21.00 (S1) and RM20.00 (S2).
- Conversely, resistance levels can be found at RM24.00 (R1) and RM25.00 (R2).

PENTA (Not Rated)

- PENTA gained 4.0 sen (+1.15%) to end at RM3.53 yesterday.
- Chart-wise, the share continues to trade above the upward trend line follow by key SMAs continue to slope upward.
- On the other hand, MACD indicator showing bullish sign while stochastic was ranging in the oversold zone, hence, we believe the share could continue to move upward.
- Should buying momentum persist, overhead resistances can be seen at RM3.60 (R1) and RM3.76 (R2).
- Conversely, key support levels can be seen at RM3.17 (S1) and RM3.00 (S2).

04 September 2019

Figure 2: Daily Charting – Dow Jones Industrial Average

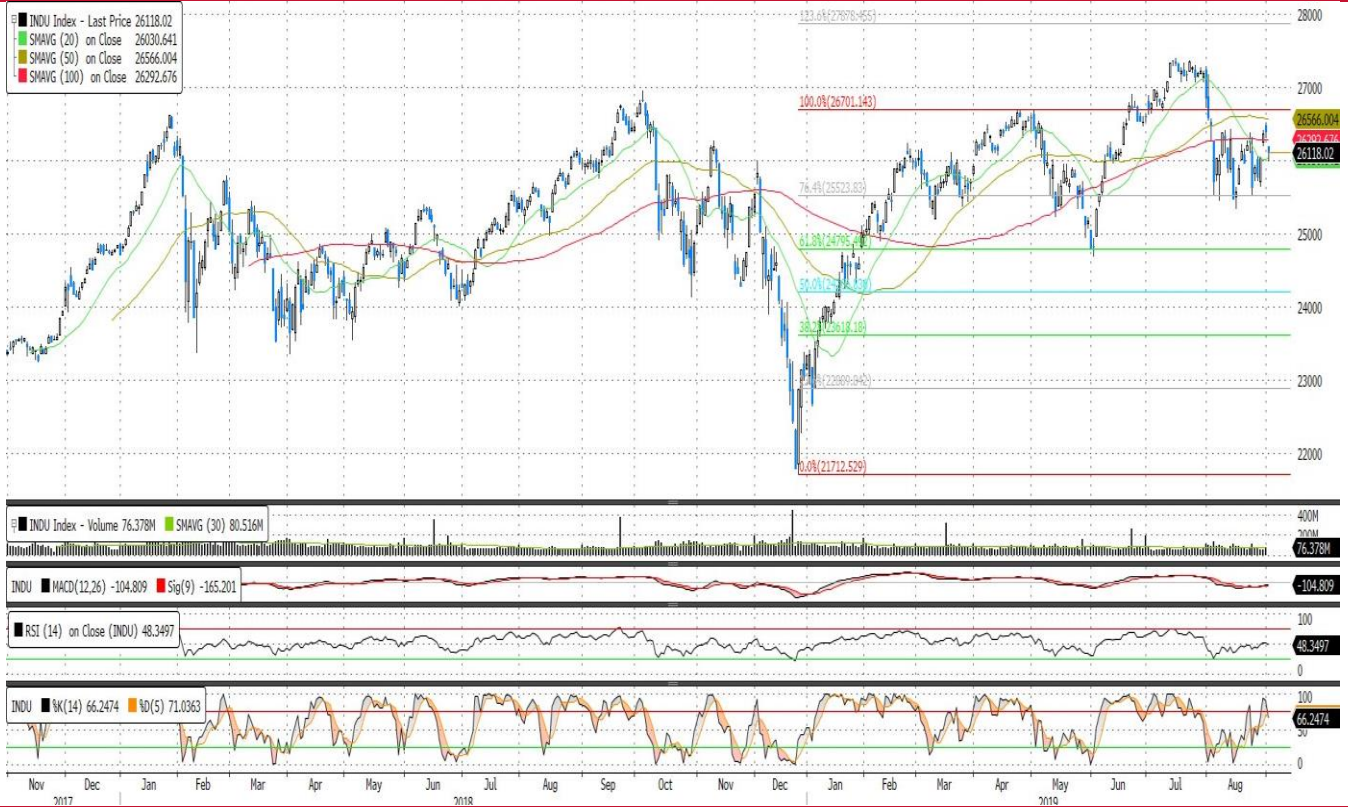


Figure 3: Daily Charting – Petronas Dagangan Bhd (Not Rated)



Figure 4: Daily Charting – Pentamaster Corporation Berhad (Not Rated)



About the stock:

Name	: Pentamaster Corporation Berhad
Bursa Code	: PENTA
CAT Code	: 7160
Shariah Compliant	: Yes
Market Cap	: 1,676.3
52 Week High/Low	: 3.77/1.53
3-m Avg. Daily Vol.	: 2,017,108.00
Free Float (%)	: 93.67%
Beta vs. KLCI	: 1.575

Key Support & Resistance Levels

Resistance	: RM3.60 (R1) RM3.76 (R2)
Support	: RM3.17 (S1) RM3.00 (S2)
Outlook	: Bullish

What does the indicator says

MACD	: Bullish
RSI	: Neutral
Stochastic	: Oversold
Trend	: Bullish

What should you do

Current Share Price	: RM3.53
Technical Target	: -
Technical Cut-loss	: -

Fundamental Call

Kenanga	: -
Consensus	: RM4.16

Source: Bloomberg, Kenanga Research

This section is intentionally left blank

04 September 2019

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	1.470		-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	0.205		-0.04	-14.58%	BUY	
3	7579	AWC BERHAD	27-Feb-19	0.770	0.865	0.675	12.34%	-12.34%	1.0	0.590		-0.18	-23.38%	BUY	
		Simple Average					16.47%	-11.97%	1.42				-17.83%		

*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)							
		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

This document has been prepared for general circulation based on information obtained from sources believed to be reliable but we do not make any representations as to its accuracy or completeness. Any recommendation contained in this document does not have regard to the specific investment objectives, financial situation and the particular needs of any specific person who may read this document. This document is for the information of addressees only and is not to be taken in substitution for the exercise of judgement by addressees. Kenanga Investment Bank Berhad accepts no liability whatsoever for any direct or consequential loss arising from any use of this document or any solicitations of an offer to buy or sell any securities. Kenanga Investment Bank Berhad and its associates, their directors, and/or employees may have positions in, and may effect transactions in securities mentioned herein from time to time in the open market or otherwise, and may receive brokerage fees or act as principal or agent in dealings with respect to these companies.

Published and printed by:

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

