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Figure 1: Daily Charting – FBMKLCI



Source: Bloomberg, Kenanga Research

Basic Data		Technical Ratings	
52-week High	1,799.80	Resistance 2	1,650
52-week Low	1,572.03	Resistance 1	1,630
Current Level	1,583.91	Current Level	1,583.91
Intraday High	1,586.69	Support 1	1,570
Intraday Low	1,578.53	Support 2	1,550
		MACD	Bearish
		RSI (14)	Neutral
		Stochastic	Oversold
		Outlook	Bearish

Asian stocks mostly end lower due to global uncertainty

- Asian stocks continue to end lower as market is worried on escalating trade tension between US-China and uncertainty arising from the impeachment inquiry into President Trump.
- Back home, the FBMKLCI dropped 0.23 points (-0.01%) to end at 1,583.91.
- Chart-wise, the index is trading below all the key SMAs coupled with negative MACD indicator, hence we opine that bearish sentiment remains intact until further signal warrants a trend reversal.
- 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).

Wall Street lifted as US will not block Chinese companies from listing

- Wall Street rebounded following the statement from a treasury spokesperson clarified that President Trump is not blocking Chinese company from listing shares in US.
- The Dow gained 96.58 points (+0.36%) to close at 26,916.83 yesterday.
- Chart-wise, the index still trading above the 50 and 100-days SMAs, coupled with bullish MACD indicator, we opine that the bullish trend remains intact. However, investor should be cautious as the index was not managed to penetrate the high at 27,400 on its previous test.
- 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 – (PBBANK, SALUTE)

PBBANK (Not Rated)

- PBBANK rose 4.0 sen (+0.2%) to close at RM20.08 yesterday.
- Chart-wise, the share has been trading below all the key SMAs and consolidating at the support level. Recently, we spotted a positive divergence between the share price and the upward sloping MACD indicator which might indicate an early sign of bottoming. However, further confirmation is required to confirm the trend reversal.
- Should selling momentum persists, we expect the share to test the support level at RM19.50 (S1) and RM19.00 (S2)
- On the other hand, resistance levels can be found at RM21.60 (R1) and RM22.80 (R2).

SALUTE (Not Rated)

- Yesterday, SALUTE gained 4.5 sen (+6.87%) to close at RM0.700.
- Chart-wise, the share has broken above the “Flag” continuation chart pattern yesterday coupled with higher-than-average trading volume.
- Besides, the bullish MACD indicator further support the bullish sentiment, hence we believe that the share could trend higher.
- Should the buying interest persist, the key resistance levels to look out for are RM0.850 (R1) and RM0.800 (R2).
- Conversely, downside supports can be identified at RM0.570 (S1) and RM0.500 (S2).

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Figure 2: Daily Charting – Dow Jones Industrial Average



Figure 3: Daily Charting – Public Bank Berhad (Not Rated)



About the stock:

Name	Public Bank
Bursa Code	PBBANK
CAT Code	1295
Shariah Compliant	No
Market Cap	77,953.3
52 Week High/Low	25.18/19.96
3-m Avg. Daily Vol.	4,349,926.00
Free Float (%)	59.07%
Beta vs. KLCI	0.9

Key Support & Resistance Levels

Resistance	: RM21.60 (R1) RM22.80 (R2)
Support	: RM19.50 (S1) RM19.00 (S2)
Outlook	: Neutral

What does the indicator says

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

What should you do

Current Share Price	: RM20.08
Technical Target	: -
Technical Cut-loss	: -

Fundamental Call

Kenanga	: RM25.20
Consensus	: RM22.01

Figure 4: Daily Charting – Salutica Berhad (Not Rated)



Source: Bloomberg, Kenanga Research

About the stock:

Name : Salutica Berhad
Bursa Code : SALUTE
CAT Code : 0183
Shariah Compliant : Yes
Market Cap : 269.5
52 Week High/Low : 0.73/0.29
3-m Avg. Daily Vol. : 3,869,245.00
Free Float (%) : 33.79%
Beta vs. KLCI : 1.309

Key Support & Resistance Levels

Resistance : RM0.800 (R1) RM0.850 (R2)
Support : RM0.570 (S1) RM0.500 (S2)
Outlook : Bullish

What does the indicator says

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

What should you do

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

Fundamental Call

Kenanga : -
Consensus : RM0.610

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Unrealised Positions (October 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	1.460		-0.28	-16.09%	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	0.615		-0.16	-20.13%	BUY	
		Simple Average					16.47%	-11.97%	1.42				-16.24%		

*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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