

24 January 2020

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



Source: Bloomberg, Kenanga Research

Basic Data		Technical Ratings	
52-week High	1,732.27	Resistance 2	1,650
52-week Low	1,548.45	Resistance 1	1,630
Current Level	1,574.44	Current Level	1,574.44
Intraday High	1,577.79	Support 1	1,570
Intraday Low	1,571.58	Support 2	1,550
		MACD	Bearish
		RSI (14)	Neutral
		Stochastic	Oversold
		Outlook	Bullish

Asian markets down on lingering coronavirus fear

- Asian stocks closed lower as investors remain cautious following China’s move to lockdown the central city of Wuhan in hopes to contain the deadly virus.
- Back home, the FBMKLCI inched down by 3.54 points (-0.22%) to close at 1,574.44.
- Chart-wise, the index remained below the crucial 1,600-pts level and 20-days SMA. Coupled with the bearish crossover signal from MACD, we expect the index to experience a near-term consolidation. A resumption of the uptrend could be underway only when the index breaks out from the existing consolidation pattern by breaching the 1,600-psychological mark convincingly.
- From here on, its overhead resistance can be seen at 1,630 (R1) and 1,650 (R2).
- Conversely, key support levels can be found at 1,570 (S1) and 1,550 (S2).

Wall Street ended mixed after WHO calms coronavirus fear

- U.S. stocks closed mixed yesterday, recovering losses from the earlier session, after WHO commented that it was too early to declare the coronavirus as a global health emergency.
- The Dow declined by 26.18 points (-0.09%) to close at 29,160.09.
- Chart-wise, the index continues to trend above all its key SMAs with the underlying trend staying intact. Coupled with a bullish MACD crossover, we believe the momentum remains strong and the index could move higher.
- With that, its key resistance levels are at 29,400 (R1) and 29,900 (R2), while support levels can be seen at 27,800 (S1) and 27,300 (S2).

Daily technical highlights – (KAB, BAHVEST)

KAB (Not Rated)

- Yesterday, KAB gained 13.0 sen (+7.78%) to close at RM1.80.
- Chart-wise, we note that the stock has begun trending upwards since last year December.
- Following the formation of a “Marubozu” candlestick yesterday which suggests robust buying interest, we believe that the stock may be poised for more upside.
- Expect the stock to trend higher to test resistances at RM2.00 (R1) and RM2.20 (R2).
- Conversely, downside supports can be identified at RM1.60 (S1) and RM1.40 (S2).

BAHVEST (Not Rated)

- BAHVEST rose 2.0 sen (+3.64%) to close at RM0.570 yesterday.
- After a gradual sell down, the stock has been undergoing a period of consolidation since October last year.
- Nonetheless, recent buying interests have managed to push the stock to trend above all of its key SMAs. Alongside with the formation of a “Golden Cross” a few days ago, we believe that the stock may continue to trend higher.
- Should buying momentum persist, overhead resistance can be found at RM0.650 (R1) and RM0.730 (R2).
- Conversely, support levels can be identified at RM0.470 (S1) and RM0.420 (S2).

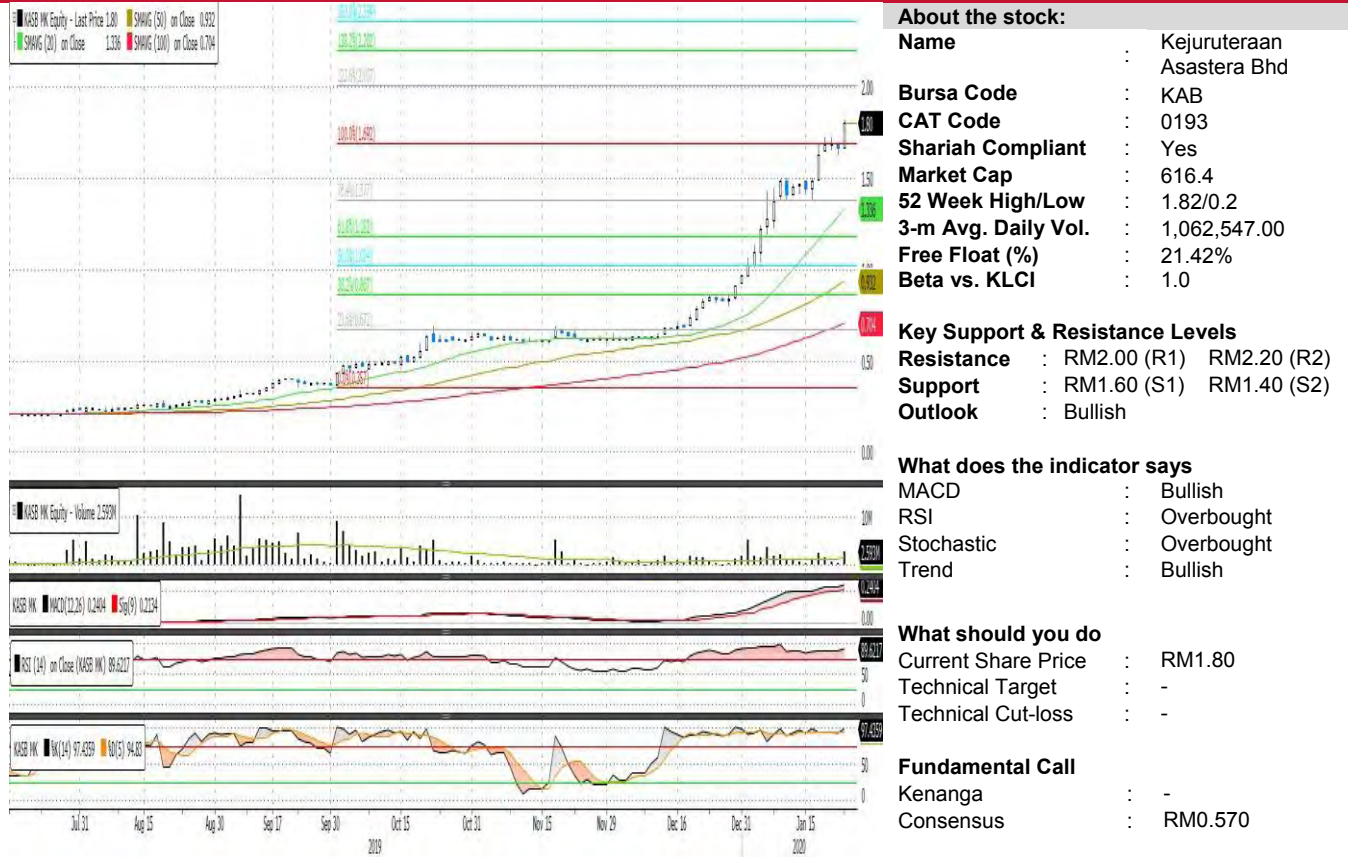
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Figure 2: Daily Charting – Dow Jones Industrial Average



Source: Bloomberg, Kenanga Research

Figure 3: Daily Charting – Kejuruteraan Asastera Bhd (Not Rated)



Source: Bloomberg, Kenanga Research

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Figure 4: Daily Charting – Bahvest Resources Bhd (Not Rated)



About the stock:

Name	: Bahvest Resources Bhd
Bursa Code	: BAHVEST
CAT Code	: 0098
Shariah Compliant	: Yes
Market Cap	: 673.8
52 Week High/Low	: 0.74/0.42
3-m Avg. Daily Vol.	: 3,519,260.00
Free Float (%)	: 58.63%
Beta vs. KLCI	: 0.958

Key Support & Resistance Levels

Resistance	: RM0.650 (R1) RM0.730 (R2)
Support	: RM0.470 (S1) RM0.420 (S2)
Outlook	: Bullish

What does the indicator says

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

What should you do

Current Share Price	: RM0.570
Technical Target	: -
Technical Cut-loss	: -

Fundamental Call

Kenanga	: -
Consensus	: -

Source: Bloomberg, Kenanga Research

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Unrealised Positions (January 2020)

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	1.410		-0.33	-18.97%	BUY	
2	0080	STRAITS INTER LOGISTICS BHD	22-Feb-19	0.240	0.300	0.200	25.00%	-16.67%	1.5	0.245		0.01	2.08%	BUY	
3	7579	AWC BERHAD	27-Feb-19	0.770	0.865	0.675	12.34%	-12.34%	1.0	0.595		-0.18	-22.73%	BUY	
		Simple Average					16.47%	-11.97%	1.42				-13.20%		

*Tracker does not include Non-Rated positions

Realised Positions (January 2020)

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 E-mail: research@kenanga.com.my

