

20 February 2020

By Vincent Tee / vincent.tee@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	1,600
52-week Low	1,517.61	Resistance 1	1,570
Current Level	1,534.16	Current Level	1,534.16
Intraday High	1,539.90	Support 1	1,500
Intraday Low	1,530.83	Support 2	1,470
		MACD	Bearish
		RSI	Neutral
		Stochastic	Neutral
		Outlook	Neutral

Asian markets were up as China’s enterprises resume operation

- Asian markets closed higher as operations in China’s firms partially recover, despite the coronary virus outbreak.
- Back home, the FBMKLCI declined by 2.92 points (-0.19%) to close at 1,534.16.
- 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.
- With that, we maintain a neutral stance in the short term while holding to key support levels at 1,500 (S1) and 1,470 (S2).
- Overhead resistance can be seen at 1,570 (R1) and 1,600 (R2).

Wall Street ended higher after Fed minutes

- Yesterday, U.S. stocks closed higher as the latest Fed minutes revealed that officials expressed confidence about the state of the U.S. economy.
- The Dow Jones gained 115.84 points (+0.40%) to close at 29,348.03.
- Chart-wise, the index is still well above all the key SMAs, hence we opine that the uptrend still remains intact.
- Coupled with bullish signals from MACD and uptick from key momentum indicators, we believe the index could trend higher.
- With that, our key resistance levels will be 29,900 (R1) and 30,000 (R2), while support levels can be seen at 28,680 (S1) and 28,400 (S2).

Daily technical highlights – (SWKPLNT, RCECAP)

SWKPLNT (Not Rated)

- SWKPLNT rose 4.0sen (+2.29%) to close at RM1.79 yesterday.
- Chart-wise, the stock has been on an uptrend since late-July last year.
- Yesterday’s bullish candlestick continued to trend higher above the 100-Day SMA while backed by an uptick in key technical indicators. Coupled with a bullish MACD, we expect the upward momentum to persist.
- Should the uptrend continue, key resistance levels are seen at RM1.90 (R1) and RM2.10 (R2).
- Conversely, key support levels can be seen at RM1.60 (S1) and RM1.50 (S2).

RCECAP (Not Rated)

- RCECAP gapped up by 8.0 sen (+4.73%) to close at RM1.77 yesterday.
- Chart-wise, the stock has been consolidating since November last year.
- Yesterday bullish candlestick continued to close above all key SMAs. Given the uptick in key technical indicators and above-average trading volume, we thus believe the share could trend higher.
- From here on, resistance can be identified at RM1.85 (R1) and RM1.90 (R2).
- Conversely, its support levels can be identified at RM1.65 (S1) and RM1.50 (S2).

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Figure 2: Daily Charting – Dow Jones Industrial Average



Figure 3: Daily Charting – Sarawak Plantation Bhd (Not Rated)



About the stock:

Name	: SARAWAK PLANTATION BHD
Bursa Code	: SWKPLNT
CAT Code	: 5135
Shariah Compliant	: Yes
Market Cap	: 499.5
52 Week High/Low	: 2.11/1.31
3-m Avg. Daily Vol.	: 81,953.13
Free Float (%)	: 12.26%
Beta vs. KLCI	: 1.0

Key Support & Resistance Levels

Resistance	: RM1.90 (R1) RM2.10 (R2)
Support	: RM1.60 (S1) RM1.50 (S2)
Outlook	: Bullish

What does the indicator says

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

What should you do

Current Share Price	: RM1.79
Technical Target	: -
Technical Cut-loss	: -

Fundamental Call

Kenanga	: -
Consensus	: RM2.42

Figure 4: Daily Charting – RCE Capital Bhd (Not Rated)



Source: Bloomberg, Kenanga Research

About the stock:

Name	: RCE Capital Bhd
Bursa Code	: RCECAP
CAT Code	: 9296
Shariah Compliant	: Yes
Market Cap	: 824.9
52 Week High/Low	: 2.58/1.55
3-m Avg. Daily Vol.	: 161,755.60
Free Float (%)	: 29.33%
Beta vs. KLCI	: 0.373

Key Support & Resistance Levels

Resistance	: RM1.85 (R1) RM1.90 (R2)
Support	: RM1.65 (S1) RM1.50 (S2)
Outlook	: Bullish

What does the indicator says

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

What should you do

Current Share Price	: RM2.52
Technical Target	: -
Technical Cut-loss	: -

Fundamental Call

Kenanga	: -
Consensus	: RM2.13

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Unrealised Positions (February 2020)





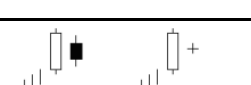

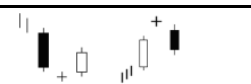

No	CATS Code	Stock Name	Issued Date (ID)	Price @ ID	Target Price	Stop-Loss	Upside Potential @ ID	Downside Risk @ ID	Reward/Risk Ratio @ ID	Last Price	Dividend Received since ID	Gain/Loss (incl. Div.)	Gain/Loss	Rating	Comment/ Action
					RM	RM	(%)	(%)	(x)	RM	RM	RM	(%)		
1	6599	AEON CO (M) BHD	28-Sep-18	1.740	1.950	1.620	12.07%	-6.90%	1.8	1.330		-0.41	-23.56%	BUY	
2	0080	STRAITS INTER LOGISTICS BHD	22-Feb-19	0.240	0.300	0.200	25.00%	-16.67%	1.5	0.220		-0.01	-4.17%	BUY	
3	7579	AWC BERHAD	27-Feb-19	0.770	0.865	0.675	12.34%	-12.34%	1.0	0.535		-0.23	-29.22%	BUY	
		Simple Average					16.47%	-11.97%	1.42				-18.98%		

*Tracker does not include Non-Rated positions

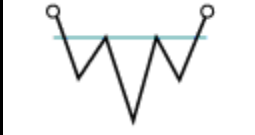
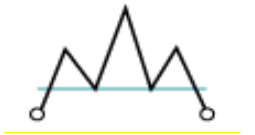
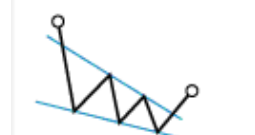



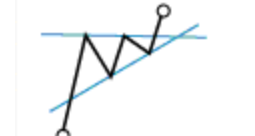
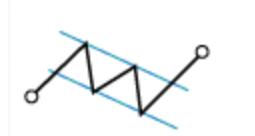


Realised Positions (February 2020)

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: www.kenanga.com.my E-mail: research@kenanga.com.my

