By Nor Nazirah / nornazirah@kenanga.com.my

Figure 1: Daily Charting – FBMKLCI

Source: Bloomberg, Kenanga Research

Basic Data				
52-week High	1,896.03			**(in Million)**
52-week Low	1,657.78		**KLCI Vol**	103.93
Current Level	1,688.27		**Bursa Vol**	1751.04
Intraday High	1,698.51		**Bursa Val**	1516.88
Intraday Low	1,688.88			

Technical Ratings				
Resistance 2	1,760		**MACD**	Bullish
Resistance 1	1,740		**RSI (14)**	Bearish
Current Level	1,688.27		**Stochastic**	Bearsih
Support 1	1,670			
Support 2	1,650		**Outlook**	Bearish

Asian markets sunk following rout on Wall Street.

- Asian stocks fell on Wednesday, tracking a brutal session on Wall Street, but optimism over the trade front after comments from the Chinese government helped stem the losses.
- On the local front, the FBMKLCI dropped 6.72 points (-0.40%) to close at 1,688.27.
- The technical outlook remains bearish as the index is still hovering below the key SMAs.
- From here, immediate support levels to watch out for are 1,670 (S1) and 1,650 (S2) where a break below would complete what is now a potential descending triangle.
- Should the market sentiment improve from here, key levels of resistance to look for are at 1,740 (R1) and 1,760 (R2).

Wall Street closed in honor for former president Funeral; Hang Seng closed lower

- Wall Street closed in honor for former President George H.W. Bush funeral; we turned our focus to Hang Seng Index, which closed lower by 440.76 points (-1.62%) to 26,819.68 on yesterday.
- Overall technical outlook remains bearish given that the key SMAs currently in “Golden Cross” state while momentum indicators displaying some weaknesses.
- Support levels can be found at 25,900 (S1) and 24,455 (S2) further down.
- Meanwhile, resistance level is capped at 27,000 (R1) and 28,000 (R2).

Daily technical highlights – (DUFU, HIBISCS)

DUFU (Not Rated)

- DUFU gained 6.0 sen (+2.31%) to close at RM2.66 yesterday.
- The share has been on an uptrend since early-August with it trading above all key SMAs.
- However, we believed that DUFU may retrace soon as RSI and stochastic indicators are near the overbought level coupled with lower trading volume.
- From here, the share may retrace back to its immediate support levels at RM2.50 (S1) and RM2.25 (S2).
- Conversely, overhead resistance level can be found at RM2.70 (R1) and RM3.00 (R2).

HIBISCS (Not Rated)

- HIBISCS declined by 4.0 sen (-3.60%) to end at RM1.07 yesterday.
- From October to November 2018, the share has been on a downtrend, in tandem with the decline of crude oil prices globally.
- Currently, the overall technical outlook still appears bearish despite the MACD line has crossed above the signal line with the 20 and 100-day SMAs appears to be providing support to the share.
- Should there be a positive news flow or strong sign of recovery in crude oil price, we expect it to test its immediate resistance at RM1.15 (R1) while a break above will see next resistance at RM1.35 (R2).
- Conversely, downside supports can be identified at RM0.945 (S1) and RM0.765 (S2).

Figure 2: Daily Charting – Hang Seng Index

Source: Bloomberg, Kenanga Research

Figure 3: Daily Charting – Dufu Technology Corp. Berhad (Not Rated)

About the stock:

Name	:	Dufu Technology Corp. Berhad
Bursa Code	:	DUFU
CAT Code	:	7233
Shariah Compliant	:	Yes
Market Cap	:	700.1
52 Week High/Low	:	2.71/0.63
3-m Avg. Daily Vol.	:	2,501,406.00
Free Float (%)	:	90.32%
Beta vs. KLCI	:	1.6

Key Support & Resistance Level

Resistance	:	RM2.70 (R1)	RM3.00 (R2)
Support	:	RM2.50 (S1)	RM2.25 (S2)
Outlook	:	Bullish	

What does the indicator says

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

What should you do

Current Share Price	:	RM2.66
Technical Target	:	-
Technical Cut-loss	:	-

Fundamental Call

Kenanga	:	-
Consensus	:	-

Source: Bloomberg, Kenanga Research

Figure 4: Daily Charting – Hibiscus Petroleum Berhad (Not Rated)

About the stock:

Name	:	Hibiscus Petroleum Berhad
Bursa Code	:	HIBISCS
CAT Code	:	5199
Shariah Compliant	:	Yes
Market Cap	:	1,699.4
52 Week High/Low	:	1.36/0.71
3-m Avg. Daily Vol.	:	53,144,520.00
Free Float (%)	:	91.25%
Beta vs. KLCI	:	1.615

Key Support & Resistance Level

Resistance	:	RM1.15 (R1) RM1.35 (R2)
Support	:	RM0.945 (S1) RM0.765 (S2)
Outlook	:	Bearish

What does the indicator says

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

What should you do

Current Share Price	:	RM1.07
Technical Target	:	-
Technical Cut-loss	:	-

Fundamental Call

Kenanga	:	-
Consensus	:	RM1.69

Source: Bloomberg, Kenanga Research

This section is intentionally left blank

Unrealised Positions (December 2018)

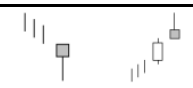
No	CATS Code	Stock Name	Issued Date (ID)	Price @ ID	Target Price	Stop-Loss	Upside Potential @ ID	Downside Risk @ ID	Reward/ Risk Ratio @ ID	Last Price	Dividend Received since ID	Gain/ Loss (incl. Div.)	Gain/ Loss	Rating	Comment/ Action
					RM	RM	(%)	(%)	(x)	RM	RM	RM	(%)		
1	7052	PADINI HOLDINGS BERHAD	18-May-18	5.190	5.500	4.800	5.97%	-7.51%	0.8	4.200		-0.99	-19.08%	BUY	
2	6599	AEON CO (M) BHD	28-Sep-18	1.740	1.950	1.620	12.07%	-6.90%	1.8	1.610		-0.13	-7.47%	BUY	
3	5398	GAMUDA BHD	16-Oct-18	2.420	3.000	2.000	23.97%	-17.36%	1.4	2.330		-0.09	-3.72%	BUY	
4	0007	PUC BHD	13-Nov-18	0.160	0.205	0.135	28.13%	-15.63%	1.8	0.115		-0.05	-28.13%	BUY	
		Simple Average					**17.53%**	**-11.85%**	**1.43**				**-14.60%**		

*Tracker does not include Non-Rated positions

Realised Positions (December 2018)

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	RM	(%)		

Basic Technical Terms:

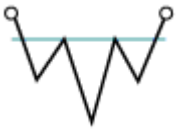
Reversal Candlesticks	Patterns	Description
Doji **Dragonfly Doji** (Bullish) **Gravestone Doji** (Bearish)		Dojis form when a security's open and close are virtually equal. The length of the upper and lower shadows can vary, and the resulting candlestick looks like, either, a cross, inverted cross, or 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)

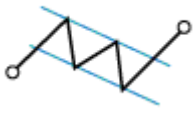
Double Bottom (Bullish)

Continuation Patterns

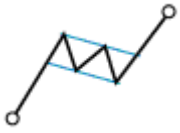
Symmetrical Triangle (Bullish/ Bearish)

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 12, 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

Chan Ken Yew
Head of Research