

27 October 2022

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**Daily technical highlights – (CORAZA, SDS)**

**Daily Charting – CORAZA (Technical Buy)**



About the Stock:		Key Support & Resistance Levels	
<b>Name</b>	Coraza Integrated Technology Bhd	<b>52 Week High/Low</b>	0.98/0.51
<b>Bursa Code</b>	CORAZA	<b>3-m Avg. Daily Vol.</b>	10,333,880
<b>CAT Code</b>	0240	<b>Free Float (%)</b>	21%
<b>Market Cap</b>	RM291.3m	<b>Beta vs. KLCI</b>	N.A.
		<b>Last Price</b>	RM0.68
		<b>Resistance</b>	RM0.77 (R1) RM0.84 (R2)
		<b>Stop Loss</b>	RM0.60

**Coraza Integrated Technology Bhd (Technical Buy)**

- Following a retracement of 28% from the peak of RM0.895 on 13 September to as low as RM0.645 last week, CORAZA's share price (which closed at RM0.68 yesterday) has probably found an intermediate support after bouncing off from the 61.8% Fibonacci retracement level and an upward sloping trendline.
- The stock is expected to extend its technical rebound in view of the following positive signals: (i) the appearance of a bullish hammer candlestick, (ii) the MACD is anticipated to cross above the signal line based on the upward histogram slant, and (iii) the rising RSI indicator.
- Thus, the share price is poised to challenge our resistance targets of RM0.77 (R1; 13% upside potential) and RM0.84 (R2; 24% upside potential).
- We have set our stop loss price at RM0.60 (representing a 12% downside risk).
- An engineering support services provider, CORAZA is mainly involved in the business of manufacturing metal sheet parts and precision machine components, servicing clients from various sectors including semiconductor, instrumentation, life science etc.
- The group reported net profit of RM4.2m in 2QFY22 (+90% QoQ), lifting its cumulative bottomline by 19% YoY to RM6.4m in 1HFY22.
- Its strong financial performance is expected to continue with consensus currently anticipating CORAZA to make net earnings of RM15.5m in FY December 2022 before soaring further to RM20.2m in FY December 2023. This translates to forward PERs of 18.8x and 14.4x, respectively.

Daily Charting – SDS (Technical Buy)



About the Stock:		Key Support & Resistance Levels	
<b>Name</b>	: SDS Group Bhd	<b>52 Week High/Low</b>	: 0.70/0.25
<b>Bursa Code</b>	: SDS	<b>3-m Avg. Daily Vol.</b>	: 4,207,341
<b>CAT Code</b>	: 0212	<b>Free Float (%)</b>	: 25%
<b>Market Cap</b>	: RM264.2m	<b>Beta vs. KLCI</b>	: 1.0
		<b>Last Price</b>	: RM0.645
		<b>Resistance</b>	: RM0.73 (R1) RM0.79 (R2)
		<b>Stop Loss</b>	: RM0.57

SDS Group Bhd (Technical Buy)

- Chart-wise, SDS' share price has staged a strong breakout from a bullish pennant pattern, pulling away from the RM0.61 resistance hurdle on Tuesday before closing at RM0.645 yesterday.
- From a technical perspective, a continuation of the rising momentum may be on the horizon based on the positive signals triggered by: (i) the emerging Parabolic SAR uptrend, (ii) the MACD crossing above the signal line, and (iii) an upward shift in the Average Directional Index.
- Ergo, the stock could be making its way to challenge our resistance thresholds of RM0.73 (R1; 13% upside potential) and RM0.79 (R2; 22% upside potential).
- Our stop loss price level is pegged at RM0.57 (representing a 12% downside risk).
- Business-wise, SDS is involved in the manufacturing and distribution of bakery products through its retail and wholesale networks.
- The group reported a net profit of RM4.5m in 1QFY23 (-21% QoQ), dragged down mainly by higher raw material costs and low seasonal demand during the Ramadan period in April 2022. However, this represents a turnaround from a net loss of RM0.5m in the preceding year's corresponding quarter following the resumption of economic activity post the Covid-19 lockdown and better manufacturing efficiency.

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## STOCK CALL MONITOR\*





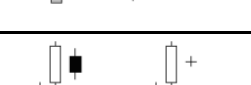
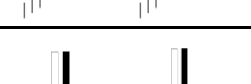


Stock Name	Issue Date (ID)	Rating	Price @ ID RM	Resistance Price (R1) RM	Stop Loss Price (SL) RM	Upside Potential @ ID %	Downside Risk @ ID %	Risk to Reward Ratio	Highest Price since ID RM	Lowest Price since ID RM	Last Price RM	Status <sup>^</sup>	Date Status Fulfilled
BONIA CORP BHD	27/9/2022	Technical Buy	1.96	2.25	1.70	15%	-13%	1.12x	2.03	1.71	1.81	Open	
SKP RESOURCES BHD	27/9/2022	Technical Buy	1.70	1.92	1.50	13%	-12%	1.10x	1.74	1.56	1.62	Open	
FARM FRESH BHD	28/9/2022	Technical Buy	1.58	1.74	1.42	10%	-10%	1.00x	1.67	1.56	1.66	Open	
PIE INDUSTRIAL BHD	28/9/2022	Technical Buy	2.78	3.05	2.51	10%	-10%	1.00x	2.88	2.49	2.61	SL Hit	21/10/2022
PGF CAPITAL BHD #	29/9/2022	Technical Buy	1.15	1.29	1.02	12%	-11%	1.04x	1.35	1.09	1.28	TP Hit	7/10/2022
MYNEWS HOLDINGS BHD	29/9/2022	Technical Buy	0.46	0.52	0.40	13%	-12%	1.09x	0.50	0.43	0.49	Open	
CSC STEEL HOLDINGS BHD	30/9/2022	Technical Buy	1.16	1.28	1.04	10%	-10%	1.00x	1.20	1.15	1.19	Open	
INARI AMERTRON BHD	30/9/2022	Technical Buy	2.55	2.80	2.30	10%	-10%	1.00x	2.60	2.28	2.40	SL Hit	17/10/2022
SWIFT HAULAGE BHD	4/10/2022	Technical Buy	0.49	0.55	0.43	12%	-12%	1.00x	0.50	0.45	0.48	Open	
MALAYSIAN BULK CARRIERS BHD	4/10/2022	Technical Buy	0.35	0.40	0.31	14%	-11%	1.25x	0.40	0.35	0.40	TP Hit	21/10/2022
UZMA BHD	5/10/2022	Technical Buy	0.38	0.43	0.32	15%	-15%	1.00x	0.40	0.35	0.37	Open	
MALAYSIAN RESOURCES CORP BHD	5/10/2022	Technical Buy	0.31	0.36	0.27	16%	-13%	1.25x	0.33	0.29	0.30	Open	
DIALOG GROUP BHD	6/10/2022	Technical Buy	2.00	2.29	1.80	15%	-10%	1.45x	2.06	1.71	1.91	SL Hit	12/10/2022
SIME DARBY BERHAD	6/10/2022	Technical Buy	2.20	2.48	1.96	13%	-11%	1.17x	2.23	2.11	2.21	Open	
MYTECH GROUP BHD	7/10/2022	Technical Buy	0.58	0.64	0.52	10%	-10%	1.00x	0.62	0.52	0.57	SL Hit	13/10/2022
POWER ROOT BHD	7/10/2022	Technical Buy	2.01	2.23	1.81	11%	-10%	1.10x	2.19	2.00	2.09	Open	
SUNWAY BHD	12/10/2022	Technical Buy	1.56	1.77	1.39	13%	-11%	1.24x	1.58	1.50	1.53	Open	
MMS VENTURES BHD	12/10/2022	Technical Buy	0.66	0.75	0.59	14%	-11%	1.29x	0.68	0.63	0.68	Open	
MALAKOFF CORP BHD	13/10/2022	Technical Buy	0.61	0.67	0.55	10%	-10%	1.00x	0.64	0.60	0.62	Open	
NCT ALLIANCE BHD	13/10/2022	Technical Buy	0.36	0.40	0.32	11%	-11%	1.00x	0.40	0.35	0.36	TP Hit	19/10/2022
LOTTE CHEMICAL TITAN HOLDING	14/10/2022	Technical Buy	1.36	1.55	1.20	14%	-12%	1.19x	1.41	1.34	1.39	Open	
OPTIMAX HOLDINGS BHD	14/10/2022	Technical Buy	0.69	0.78	0.61	13%	-12%	1.13x	0.79	0.69	0.78	TP Hit	26/10/2022
WESTPORTS HOLDINGS BHD	18/10/2022	Technical Buy	3.17	3.48	2.87	10%	-9%	1.03x	3.45	3.16	3.44	Open	
PEKAT GROUP BERHAD	18/10/2022	Technical Buy	0.44	0.49	0.39	13%	-10%	1.22x	0.47	0.42	0.45	Open	
OPENSYS M BHD	19/10/2022	Technical Buy	0.35	0.39	0.31	11%	-11%	1.00x	0.37	0.35	0.36	Open	
TUNE PROTECT GROUP BHD	19/10/2022	Technical Buy	0.25	0.28	0.21	14%	-14%	1.00x	0.27	0.24	0.26	Open	
AURELIUS TECHNOLOGIES BHD	20/10/2022	Technical Buy	1.65	1.88	1.47	14%	-11%	1.28x	1.71	1.63	1.67	Open	
FRONTKEN CORP BHD	20/10/2022	Technical Buy	2.47	2.80	2.18	13%	-12%	1.14x	2.56	2.44	2.48	Open	
CTOS DIGITAL BHD	21/10/2022	Technical Buy	1.34	1.52	1.16	13%	-13%	1.00x	1.38	1.33	1.35	Open	
PESTECH INTERNATIONAL BHD	21/10/2022	Technical Buy	0.31	0.35	0.27	13%	-13%	1.00x	0.33	0.30	0.31	Open	
TELEKOM MALAYSIA BHD	26/10/2022	Technical Buy	5.44	5.96	4.93	10%	-9%	1.02x	5.54	5.46	5.50	Open	
MAGNI-TECH INDUSTRIES BHD	26/10/2022	Technical Buy	1.70	1.90	1.51	12%	-11%	1.05x	1.72	1.70	1.72	Open	

\* Tracks our stock recommendations on a one-month rolling basis from issue date. Stock names will drop out from the list after one month from issue date regardless of their status.

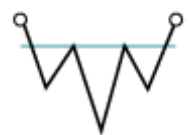
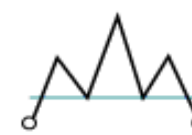


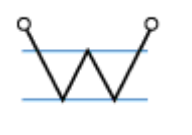
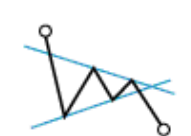

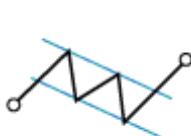


<sup>^</sup> Status will be categorised as either: (i) "TP hit" when stock reaches target price first OR (ii) "SL hit" when stock touches stop loss first OR (iii) "Open" when neither TP nor SL has been hit.

# PGF Capital Bhd's stop loss price has been amended to RM1.02 (from RM0.98 previously).

**Technical Terms:**

Reversal Candlesticks	Patterns	Description
<b>Doji</b> <b>Dragonfly Doji</b> (Bullish) <b>Gravestone Doji</b> (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.
<b>Engulfing Pattern</b>		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.
<b>Hammer</b> (Bullish) <b>Shooting Star</b> (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.
<b>Inverted Hammer</b> (Bullish) <b>Hanging Man</b> (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.
<b>Harami</b> <b>Harami Cross</b>		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.
<b>Marubozu</b>		A Marubozu candlestick has no shadow extending from the body at either the open, the close or at both.
<b>Morning Doji Star</b> (Bullish) <b>Evening Doji Star</b> (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.
<b>Spinning Top</b>		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	<b>Inverted Head &amp; Shoulders</b> (Bullish)	<b>Head &amp; Shoulders</b> (Bearish)	<b>Wedge Reversal</b> (Bullish/ Bearish)	<b>Double Top</b> (Bearish)	<b>Double Bottom</b> (Bullish)
					
Continuation Patterns	<b>Symmetrical Triangle</b> (Bullish/ Bearish)	<b>Ascending Triangle</b> (Bullish)	<b>Channels</b> (Bullish/ Bearish)	<b>Flags</b> (Bullish/ Bearish)	<b>Pennant</b> (Bullish/ Bearish)
					

Source: Various

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