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Daily technical highlights – (BPPLAS, MCEMENT)

Daily Charting – BPPLAS (Trading Buy)



About the Stock:		Key Support & Resistance Levels	
<b>Name</b>	: BP Plastics Holding Bhd	<b>52 Week High/Low</b>	: 1.76/1.08
<b>Bursa Code</b>	: BPPLAS	<b>3-m Avg. Daily Vol.</b>	: 250,202
<b>CAT Code</b>	: 5100	<b>Free Float (%)</b>	: 23%
<b>Market Cap</b>	: RM309.6m	<b>Beta vs. KLCI</b>	: 0.9
		<b>Last Price</b>	: RM1.65
		<b>Resistance</b>	: RM1.88 (R1) RM2.02 (R2)
		<b>Stop Loss</b>	: RM1.45

BP Plastics Holding Berhad (Trading Buy)

- BPPLAS is a specialty polyethylene films and bags manufacturer with both stretch film and blown film capabilities.
- In FY20, BPPLAS registered a net profit of RM29.7m (+40% YoY) on the back of revenue of RM317m (-4% YoY). The robust earnings momentum continued in the first quarter ended March 2021 as BPPLAS registered a net profit of RM9.7m (+56% YoY) with revenue of RM100m (+29% YoY), on track to achieve a strong FY21 performance ahead.
- Moving forward, BPPLAS plans to grow its premium stretch film segment from both new and existing customers. Furthermore, as resin prices fall gradually, we reckon BPPLAS (like its peers in the plastics packaging industry) is still able to maintain its elevated average selling prices, thus potentially benefitting from higher margins in the coming quarters.
- Technically speaking, the stock appears to be in an uptrend pattern. Based on the Heikin Ashi candles, the chart shows numerous consecutive large green bars with long upper shadows, signalling an underlying bullish bias for the share price.
- When similar Heikin Ashi candle patterns have occurred previously (as pointed out by the blue arrows on the chart), the stock has enjoyed subsequent strong rallies.
- With the MACD indicator also showing strengthening upward momentum, we believe the share price could potentially challenge our resistance levels of RM1.88 (R1; 14% upside potential) and RM2.02 (R2; 22% upside potential).
- We have pegged our stop loss price at RM1.45 (12% downside risk).



About the Stock:		Key Support & Resistance Levels	
<b>Name</b> : Malayan Cement Bhd	<b>52 Week High/Low</b> : 3.30/1.77	<b>Last Price</b> : RM2.95	
<b>Bursa Code</b> : MCEMENT	<b>3-m Avg. Daily Vol.</b> : 540,513	<b>Resistance</b> : RM3.30 (R1) RM3.58 (R2)	
<b>CAT Code</b> : 3794	<b>Free Float (%)</b> : 20%	<b>Stop Loss</b> : RM2.63	
<b>Market Cap</b> : RM2,757.4m	<b>Beta vs. KLCI</b> : 1.5		

**Malayan Cement Berhad (Trading Buy)**

- MCEMENT manufactures, sells and distributes cement and clinker as well as ready-mixed concrete. It also provides shipping services, leases vessels and trades building materials.
- MCEMENT’s most recent quarter ended March 2021 returned to the black (with a net profit of RM3.6m) following several consecutive quarters of losses, mainly thanks to higher average selling prices.
- Moving forward, consensus is expecting MCEMENT to achieve a net profit of RM9m in FY21 before soaring to RM62.3m in FY22 (compared to a net loss of RM261m in FY20), as the Group is poised for a strong recovery in tandem with an anticipated pick-up in construction activities.
- Technically speaking, the stock has been forming higher lows and higher highs since November 2020, indicating sustained buying interest at higher price levels.
- With the stock currently hovering around the lower range of the ascending price channel, this provides a timely buying opportunity.
- An anticipated rise in the share price could challenge our resistance levels of RM3.30 (R1; 12% upside potential) and RM3.58 (R2; 21% upside potential).
- We have pegged our stop loss price at RM2.63 (11% downside risk).

25 June 2021

## STOCK CALL MONITOR\*

Stock Name	Issue Date (ID)	Rating	Price @ ID	Target Price (TP)	Stop Loss Price (SL)	Upside Potential @ ID	Downside Risk @ ID	Risk to Reward Ratio	Highest Price since ID	Lowest Price since ID	Last Price RM	Status <sup>^</sup>	Date Status Fulfilled
			RM	RM	RM	%	%		RM	RM			
GLOBETRONICS TECHNOLOGY BHD	25/05/2021	Trading Buy	2.06	2.46	1.80	19%	-13%	1.53x	2.31	2.00	2.24	Open	
DIALOG GROUP BHD	25/05/2021	Trading Buy	2.87	3.20	2.62	12%	-9%	1.34x	3.03	2.86	2.87	Open	
KELINGTON GROUP BHD	27/05/2021	Trading Buy	2.01	2.29	1.76	14%	-12%	1.12x	2.34	1.89	2.15	TP Hit	18/06/2021
TOMYPAK HOLDINGS	27/05/2021	Trading Buy	0.56	0.63	0.50	13%	-11%	1.17x	0.59	0.52	0.52	Open	
ASTRO MALAYSIA HOLDINGS BHD	28/05/2021	Trading Buy	1.10	1.26	0.97	15%	-12%	1.23x	1.26	1.03	1.18	TP Hit	22/06/2021
REVENUE GROUP BHD	28/05/2021	Trading Buy	1.92	2.14	1.72	11%	-10%	1.10x	2.15	1.82	1.95	TP Hit	18/06/2021
MNRB HOLDINGS BHD	01/06/2021	Trading Buy	1.23	1.45	1.04	18%	-15%	1.16x	1.45	1.21	1.29	TP Hit	15/06/2021
SKP RESOURCES BHD	01/06/2021	Trading Buy	1.53	1.70	1.38	11%	-10%	1.13x	1.85	1.47	1.66	TP Hit	08/06/2021
SOUTHERN CABLE GROUP BHD	02/06/2021	Trading Buy	0.46	0.52	0.41	14%	-10%	1.39x	0.51	0.46	0.47	Open	
HEITECH PADU BHD	02/06/2021	Trading Buy	1.23	1.41	1.09	15%	-11%	1.29x	1.58	1.25	1.32	TP Hit	02/06/2021
ADVANCECON HOLDINGS BHD	03/06/2021	Trading Buy	0.37	0.45	0.33	20%	-12%	1.67x	0.39	0.36	0.38	Open	
THREE-A RESOURCES BHD	03/06/2021	Trading Buy	0.89	1.01	0.79	13%	-11%	1.20x	0.93	0.77	0.81	SL Hit	22/06/2021
FRONTKEN CORP BHD	04/06/2021	Trading Buy	3.10	3.60	2.63	16%	-15%	1.06x	3.08	2.84	2.90	Open	
PRESTAR RESOURCES BHD	04/06/2021	Trading Buy	1.18	1.37	1.00	16%	-15%	1.06x	1.30	1.03	1.05	Open	
KRONOLOGI ASIA BHD	09/06/2021	Trading Buy	0.67	0.77	0.57	16%	-14%	1.11x	0.73	0.63	0.64	Open	
MALAYSIA BUILDING SOCIETY	09/06/2021	Trading Buy	0.65	0.73	0.58	12%	-11%	1.14x	0.66	0.62	0.62	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.

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25 June 2021

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			RM	RM	RM	%	%		RM	RM			
K-ONE TECHNOLOGY BHD	10/06/2021	Trading Buy	0.30	0.36	0.25	20%	-17%	1.20x	0.33	0.29	0.30	Open	
GAMUDA BHD	10/06/2021	Trading Buy	3.11	3.45	2.86	11%	-8%	1.36x	3.26	3.11	3.12	Open	
KERJAYA PROSPEK GROUP BHD	11/06/2021	Trading Buy	1.22	1.38	1.10	14%	-9%	1.43x	1.28	1.20	1.24	Open	
TECHBOND GROUP BHD	11/06/2021	Trading Buy	0.50	0.56	0.45	12%	-10%	1.20x	0.53	0.48	0.48	Open	
JHM CONSOLIDATION BHD	15/06/2021	Trading Buy	1.70	1.92	1.49	13%	-12%	1.05x	1.95	1.68	1.79	TP Hit	21/06/2021
POS MALAYSIA BERHAD	15/06/2021	Trading Buy	0.84	0.94	0.75	12%	-11%	1.11x	0.87	0.82	0.83	Open	
CYPARK RESOURCES BHD	16/06/2021	Trading Buy	1.11	1.24	1.00	12%	-10%	1.18x	1.14	0.92	0.93	SL Hit	17/06/2021
MY EG SERVICES BHD	16/06/2021	Trading Buy	1.92	2.15	1.75	12%	-9%	1.35x	1.93	1.81	1.82	Open	
AMMB HOLDINGS BHD	17/06/2021	Trading Buy	3.04	3.47	2.63	14%	-13%	1.05x	3.05	2.91	2.96	Open	
AIRASIA GROUP BHD	17/06/2021	Trading Buy	0.93	1.13	0.77	22%	-17%	1.28x	0.95	0.90	0.92	Open	
GHL SYSTEMS BERHAD	18/06/2021	Trading Buy	1.87	2.10	1.65	12%	-12%	1.05x	1.88	1.80	1.81	Open	
IOI CORP BHD	18/06/2021	Trading Buy	3.85	4.25	3.52	10%	-9%	1.21x	3.92	3.77	3.83	Open	
SAMCHEM HOLDINGS BHD	22/06/2021	Trading Buy	0.83	0.94	0.73	13%	-12%	1.10x	0.84	0.75	0.77	Open	
APEX HEALTHCARE BHD	22/06/2021	Trading Buy	3.15	3.56	2.78	13%	-12%	1.11x	3.20	3.10	3.10	Open	
SOLUTION GROUP BHD	23/06/2021	Trading Buy	1.18	1.36	1.03	15%	-13%	1.20x	1.21	1.11	1.13	Open	
SUPERCOMNET TECHNOLOGIES BHD	23/06/2021	Trading Buy	1.67	1.89	1.48	13%	-11%	1.16x	1.75	1.62	1.67	Open	
BIMB HOLDINGS BHD	24/06/2021	Trading Buy	3.99	4.50	3.55	13%	-11%	1.16x	3.99	3.95	3.97	Open	
BERMAZ AUTO BHD	24/06/2021	Trading Buy	1.56	1.81	1.35	16%	-13%	1.19x	1.57	1.53	1.55	Open	

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**Technical Terms:**

Reversal Candlesticks	Patterns	Description
<b>Doji</b> 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.
<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 (Bullish)</b> <b>Shooting Star (Bearish)</b>		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 (Bullish)</b> <b>Hanging Man (Bearish)</b>		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 (Bullish)</b> <b>Evening Doji Star (Bearish)</b>		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	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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