



Technical Pulse

13 November 2017

SINGAPORE | TECHNICAL ANALYSIS | UPDATE

Technical buy

Micro-Mechanics Ltd – Daily timeframe



Current Sentiment: **Bullish**

Support 1: 1.900 Resistance 1: 2.240  
Support 2: 1.780 Resistance 2: 2.300

After a strong run-up in price since January 2017, price finally entered into a significant correction. Price started to turn down sharply after hitting a high of 2.24 on 01/11/17.

Nonetheless, the long-term uptrend remains intact as the Higher High and Higher Low structure of the uptrend remains valid. Moreover, the 20 and 60 day moving average is still acting as a springboard for the uptrend.

The current price action is signalling the formation of the next Higher Low point within this uptrend. After falling for the past seven trading days, price seemed to be reacting to the 20 day moving average shown by the current bullish price action. **There was an increasing volume hammer rejection around the 20 day moving average on 10/11/17 suggests a reversal back into the uptrend.** If this hammer holds, the 1.900 hammer’s low will be the next higher low point for this uptrend.

**Expect price to rebound back into the uptrend next to retest the 2.240 resistance area followed by 2.300.**

*Note: Our current fundamental view on Micro-Mechanics is a Buy rating with a fair value of \$2.50.*

Red line = 20 period moving average, Blue line = 60 period moving average, Green line = 200 period moving average

\*Entry price is derived from 1 tick above the high of the setup bar

Source: Bloomberg, Phillip Securities Research Pte Ltd

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### The Phillip 20 Portfolio - Our top technical picks

Company Name	Ticker	L	Entry Date	Entry price	Stop Loss	Last price	Current gain/loss (%)
BLACKGOLDNATURAL	41H	Long	<a href="#">6-Jul-17</a>	0.137	0.103	0.120	-12.41%
BREADTALK	5DA	Long	<a href="#">2-Nov-17</a>	1.645	1.470	1.590	-3.34%
COGENT	KJ9	Long	<a href="#">22-Mar-17</a>	0.780	0.725	1.015	30.13%
CHASEN	5NV	Long	<a href="#">9-Oct-17</a>	0.093	0.081	0.089	-4.30%
ELLIPSIZ	BIX	Long	<a href="#">3-Aug-17</a>	0.645	0.575	0.775	20.16%
FRENCKEN	E28	Long	<a href="#">20-Jul-17</a>	0.525	0.445	0.525	0.00%
F & N	F99	Long	<a href="#">24-Mar-17</a>	2.220	2.220	2.600	17.12%
GOLDEN AGRI-RES	E5H	Long	<a href="#">26-Oct-17</a>	0.400	0.350	0.400	0.00%
GOLDEN ENERGY	AUE	Long	<a href="#">2-Aug-17</a>	0.425	0.360	0.445	4.71%
HANWELL	DM0	Long	<a href="#">13-Sep-17</a>	0.345	0.295	0.320	-7.25%
HAW PAR	H02	Long	<a href="#">18-Aug-17</a>	10.930	10.500	12.220	11.80%
JUMBO	42R	Long	<a href="#">22-Sep-17</a>	0.575	0.525	0.600	4.35%
MIYOSHI	M03	Long	<a href="#">23-Aug-17</a>	0.074	0.062	0.079	6.76%
OUE	LJ3	Long	<a href="#">9-Oct-17</a>	2.010	1.895	2.000	-0.50%
PANUNITED	P52	Long	<a href="#">22-Aug-17</a>	0.550	0.500	0.585	6.36%
RIVERSTONE	AP4	Long	<a href="#">12-Jul-17</a>	1.065	0.995	1.070	0.47%
SPH	T39	Long	<a href="#">25-Sep-17</a>	2.750	2.530	2.700	-1.82%
SINGAPORE O&G	1D8	Long	<a href="#">14-Sep-17</a>	0.490	0.420	0.510	4.08%
THAIBEV	Y92	Long	<a href="#">14-Mar-17</a>	0.955	0.825	0.955	0.00%
UMS*	558	Long	<a href="#">29-Sep-17</a>	0.788	0.705	1.020	29.44%

\*UMS entry price and stop loss have been adjusted for bonus share issue

### Monthly Phillip 20 performance update

[May 17 performance](#)

[June 17 performance](#)

[July 17 Performance](#)

[August 17 Performance](#)

[September 17 Performance](#)

[October 17 Performance](#)

\*\*Take profit will be updated accordingly in the future technical pulse report

Note: The "Phillip 20 Portfolio" is an actively managed portfolio that utilises technical analysis for selecting stocks. We have capped the amount of stocks to 20 for the portfolio, and each trade is equally weighted at 5% of the initial capital.

Inception date is the start of May 2017 with an initial capital of \$100,000.

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