

Alliance Bank Malaysia Bhd

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Accelerating SME financing

- Dynamic, integrated financial services group offering banking and financial services through its consumer banking, SME banking, corporate and commercial banking, Islamic banking, investment banking, and stockbroking businesses.
- Focus to double up the SME financing business which saw their market share rose from 3.4% 5 years ago, to 5.0% in FY22.
- Aims to grow their new-to-bank customer acquisition by 40% YoY in FY23 through higher contribution from digital channels and ecosystem partners.
- Technically, price has formed a resistance breakout above RM3.60 and price may trend higher to target the next resistances at RM3.75-3.82, with long term target at RM4.00.

ABMB daily: Resistance breakout



M+ Wiz

ALLIANCE BANK MALAYSIA BHD

Last Price (RM)	3.63
5 Day Change (%)	1.7
1 Day Range Percentile (%)	100.0
5 Day Range Percentile (%)	92.3
52Week Range Percentile (%)	85.9
Volatility 30D	19.3
EMA9, EMA20, EMA60 Trend	Uptrend
Price vs. EMA20 (%)	2.8
DMI DI+	28.2
DMI DI-	15.1
ADX	22.8
Price Skew	DOWN
RSI 14D	46.0
RSI OB/OS	Negative
Price vs. Bollinger Band (%)	98.2

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Trading Catalyst

- Alliance Bank Malaysia Bhd (ABMB) is regarded as a dynamic, integrated financial services group offering banking and financial services through its consumer banking, SME banking, corporate and commercial banking, Islamic banking, investment banking, and stockbroking businesses.
- Inclusive of the RM2.00bn in the new sustainable banking business that was driven by green financing from the corporate segment and sustainability investments in treasury for FY22, ABMB targets RM10.00bn in sustainable banking business over the next 3 financial years. The focus is to double up the SME financing business which saw their market share rose from 3.4% recorded 5 years ago, to 5.0% in FY22.
- At the same time, ABMB also aims to grow their new-to-bank customer acquisition by 40% YoY in FY23 through higher contribution from digital channels and ecosystem partners. We also reckon ABMB is well position to capitalise onto the rising interests rate environment.

Financial snapshot

FYE Mar	FY22	FY23f	FY24f
Revenue (RM m)	2706.0	1940.6	2038.3
Net profit (RM m)	572.8	675.0	721.8
Shares (m)	1548.1	1548.1	1548.1
EPS (sen)	37.0	43.6	46.6
DPS (sen)	10.0	20.0	21.4
P/E (x)	9.8	8.3	7.8
DY (%)	2.8	5.5	5.9

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Technical Outlook

- Technically, share price is on the ascending mode after recovering above daily SMA200. The recent gradual rebound has also resulted in the uptrend intact formation. For now, price has formed a resistance breakout above RM3.60 and price may trend higher to target the next resistances at RM3.75-3.82, with long term target at RM4.00. Support is pegged at around RM3.48, while cut loss is set at RM3.47.

Glossary

Last Price (RM)	Last closing price
5 Day Change (%)	Percent change in price over the last five days. The formula is: [(Last Trade - Closing Price Five Days Ago) / Closing Price Five Days Ago] x 100.
1 Day Range Percentile (%)	Calculates the percentile value within the 1-day range
5 Day Range Percentile (%)	Calculates the percentile value within the 5-day range
52 Week Range Percentile (%)	Calculates the percentile value within the 52-week range
Volatility 30D	A measure of the risk of price moves for a security calculated from the standard deviation of day-to-day logarithmic historical price changes. The 30-day price volatility equals the annualised standard deviation of the relative price change for the 30 most recent trading days closing price, expressed as a percentage.
EMA9, EMA20, EMA60 Trend	If EMA9 is greater than EMA20 and EMA20 is greater than EMA60 it will be stated as Uptrend. If the EMA9 is lesser than EMA20 and the EMA20 is lesser than EMA60, it will be stated as Downtrend, otherwise Consolidation.
Price vs. EMA20 (%)	Position of the price away from the EMA20 level
DMI DI+	Positive directional movement.
DMI DI-	Negative directional movement.
ADX	ADX is a moving average of the directional movement index.
Price Skew	If the average of 20 days closing price is greater than 20 days Median price, it will be stated Up. If the average of 20 days closing price is lower than 20 days Median price, it will be stated Down.
RSI 14D	RSI measures the momentum of a security to determine whether it is in an overbought or oversold condition. If RSI 14 days is greater or equal to 70, it will be stated Overbought.
RSI OB/OS	If the RSI 14 days is greater or equal to 50, but lower than 70, it will be stated Positive. If the RSI 14 days is greater than 30, but lower than 50, it will be stated Negative. If the RSI 14 days is lower or equal to 30, it will be stated Oversold.
Price vs. Bollinger Band (%)	Position of the price compare to the Bollinger band in percentage