

## BP Plastics Holdings Bhd

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### Expansion progressing well

- A specialty plastics packaging manufacturer with more than 30 years of experience in the industry and has close to 700 customer base.
- To commission the 10th Cast Stretch Film machine to boost production by additional 11kMT/m in 1Q23 amid the rising demand.
- Softening of resin prices amid the increasing new supply stream and weaker demand from China bodes well for BPPLAS given that ASP has yet to retrace.
- Technically, traders may anticipate for a potential flag-formation breakout above RM1.49 to target the next resistances at RM1.60-RM1.70 with long term target at RM1.88.

### BPPLAS daily: Impending flag-formation breakout



M+ Wiz

### Trading Catalyst

- BP Plastics Holdings Bhd (BPPLAS) is regarded as a specialty plastics packaging manufacturer with more than 30 years of experience in the industry and has close to 700 customer base. Their key brands include INFINITY®, PRIORITY® and R-Edge™ and their customised full blown PE films are used across various industries.
- Amidst the rising demand, BPPLAS will be commissioning the 10th Cast Stretch Film machine to boost production by additional 11kMT/m in 1Q23. Meanwhile, the acquisition of a parcel of land measuring 4.0-ac announced last month for expansion of its flexible plastic packaging business is expected to generate additional 40kMT/y.
- We expect the softening of resin prices amid the increasing new supply stream and weaker demand from China bodes well, given that ASP has yet to retrace in tandem. At current share price of RM1.47, prospective dividends are attractive at 3.9-4.8% for FY22f and FY23f, respectively.

### BP PLASTICS HOLDINGS BHD

Last Price (RM)	1.47
5 Day Change (%)	-1.3
1 Day Range Percentile (%)	100.0
5 Day Range Percentile (%)	76.3
52Week Range Percentile (%)	35.3
Volatility 30D	35.2
EMA9, EMA20, EMA60 Trend	Uptrend
Price vs. EMA20 (%)	4.2
DMI DI+	30.3
DMI DI-	27.5
ADX	15.2
Price Skew	UP
RSI 14D	65.6
RSI OB/OS	Positive
Price vs. Bollinger Band (%)	78.2

### Bloomberg

### Financial snapshot

FYE Dec	FY21	FY22f	FY23f
Revenue (RM m)	447.1	497.0	519.7
Net profit (RM m)	46.5	35.5	40.4
Shares (m)	281.5	281.5	281.5
EPS (sen)	16.5	12.6	14.4
DPS (sen)	6.0	5.7	7.1
P/E (x)	8.9	11.7	10.2
DY (%)	4.1	3.9	4.8

### Bloomberg

## Technical Outlook

- Technically, share price has staged a longer-term pullback before finding stability in mid-July 2022. Price has gradually marched higher and has recently climbed to close above SMA200. For now, traders may anticipate for a potential flag-formation breakout above RM1.49 to target the next resistances at RM1.60-RM1.70 with long term target at RM1.88. Support is pegged at RM1.40 and cut loss is located at RM1.39.

## 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