

Kumpulan Fima Bhd

Kenneth Leong
kennethleong@msec.com.my
(603) 2201 2100

Firing all cylinders

- Engaged as a diversified group with core businesses in manufacturing, plantation, bulking, food sectors.
- Leveraging on the recovery in tourism activities amid the steady rise in international travel for both business and leisure purposes.
- Attractive valuations and we gather that historical dividends are fairly decent with FY22 dividend yield at 5.6%.
- Technically, price has formed a short-term consolidation breakout above RM2.60, targeting the next resistances at RM2.77-2.86 with long term target at RM3.00.

KFIMA daily: Short-term consolidation breakout



M+ Wiz

KUMPULAN FIMA BHD

Last Price (RM)	2.66
5 Day Change (%)	4.7
1 Day Range Percentile (%)	100.0
5 Day Range Percentile (%)	100.0
52Week Range Percentile (%)	79.2
Volatility 30D	51.7
EMA9, EMA20, EMA60 Trend	Uptrend
Price vs. EMA20 (%)	4.7
DMI DI+	35.3
DMI DI-	14.4
ADX	28.8
Price Skew	UP
RSI 14D	58.2
RSI OB/OS	Positive
Price vs. Bollinger Band (%)	67.9

Bloomberg

Trading Catalyst

- Kumpulan Fima Bhd (KFIMA) engages as a diversified group with core businesses in manufacturing, plantation, bulking, food sectors. Over at the manufacturing arm, the group is regarded as the largest domestic security printer in Malaysia which offers printing of travel documents, while the plantations sector comprises 18,877-ha of plantable area in Malaysia and Indonesia.
- We reckon that KFIMA will be able to leverage onto the recovery in tourism activities amid the steady rise in international travel for both business and leisure purposes. Meanwhile, the elevated CPO prices also bodes well, whereby the plantation segment contributed RM108.8m (58.7%) to total pre-tax profit in FY22.
- At current share price of RM2.66, price is also trading at a discount towards the net book value of RM3.16; implying potential upside in our view. Meanwhile, we gather that KFIMA has been distributing more than 40% of net profit as dividends since 2014 and FY22 dividend per share of 15.0 sen (dividend yield at 5.6%) is fairly decent.

Financial snapshot

FYE Mar	FY20	FY21	FY22
Revenue (RM m)	276.6	479.6	672.1
Net profit (RM m)	40.5	64.1	102.6
Shares (m)	282.2	282.2	282.2
EPS (sen)	14.4	22.7	36.3
DPS (sen)	9.0	12.0	15.0
P/E (x)	18.5	11.7	7.3
DY (%)	3.4	4.5	5.6

Bloomberg

Technical Outlook

- Technically, the share price is on the gradual uptrend mode and has hit the highest level that was not seen since 1997. Following the recent pullback towards the daily EMA60, price has since staged a recovery. For now, price has formed a short-term consolidation breakout above RM2.60, targeting the next resistances at RM2.77-2.86 with long term target at RM3.00. Support is pegged at RM2.45 and cut loss is located at RM2.44.

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.
RSI OB/OS	If RSI 14 days is greater or equal to 70, it will be stated Overbought. 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