

Poh Kong Holdings Bhd

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

Hedging against market volatility

- One of the largest distributor and supplier of jewelry, precious stones, semi-precious stones and gold ornament in Malaysia
- Upcoming Malaysia International Jewellery Fair taking place from 31st March 2023 to 3rd April 2023 may boost demand and sales of gold and jewelries.
- Renewed volatility in riskier asset classes and prospects of less hawkish US Federal Reserve move has provided support for the recent rally in gold prices.
- Technically, traders may anticipate for a breakout above RM0.88 to target the next resistances at RM0.915-0.93 with long term target set at RM0.99.

POHKONG daily: Monitor for breakout



M+ Wiz

Trading Catalyst

- Poh Kong Holdings Bhd is regarded as one of the largest distributor and supplier of jewelry, precious stones, semi-precious stones and gold ornament in Malaysia. Apart from being appointed as a sole distributor for international jewellery brands such as Schoeffel, Luca Carati and Moraglione 1922, POH KONG also develop their in-house brands such as Tranz, Happy Love, Anggun and The Art of Auspicious Jewellery.
- After opening an outlet in City Square Johor Baru, POHKONG plans to open another outlet in Pavilion Damansara Heights in May 2023. We reckon that the upcoming Malaysia International Jewellery Fair taking place from 31st March 2023 to 3rd April 2023 may boost demand and sales of gold and jewelries.
- The renewed volatility in riskier asset classes and prospects of less hawkish US Federal Reserve move has provided support for the recent rally in gold prices. After 7 consecutive months of decline, gold prices have delivered a sturdy recovery, and is fast approaching USD2,000/oz.

POH KONG HOLDINGS BHD

| | |
|------------------------------|----------|
| Last Price (RM) | 0.870 |
| 5 Day Change (%) | 8.1 |
| 1 Day Range Percentile (%) | 100.0 |
| 5 Day Range Percentile (%) | 60.0 |
| 52Week Range Percentile (%) | 78.9 |
| Volatility 30D | 29.2 |
| EMA9, EMA20, EMA60 Trend | Uptrend |
| Price vs. EMA20 (%) | 4.4 |
| DMI DI+ | 30.5 |
| DMI DI- | 19.2 |
| ADX | 25.2 |
| Price Skew | UP |
| RSI 14D | 48.3 |
| RSI OB/OS | Negative |
| Price vs. Bollinger Band (%) | 99.5 |

Bloomberg

Financial snapshot

| FYE Jul | FY21 | FY22 | FY23* |
|-------------------|-------|--------|--------|
| Revenue (RM m) | 903.1 | 1362.6 | 1557.7 |
| Net profit (RM m) | 36.8 | 92.2 | 102.3 |
| Shares (m) | 410.4 | 410.4 | 410.4 |
| EPS (sen) | 9.0 | 22.5 | 24.9 |
| DPS (sen) | 1.2 | 2.3 | 2.3 |
| P/E (x) | 9.7 | 3.9 | 3.5 |
| DY (%) | 1.4 | 2.6 | 2.6 |

Bloomberg

FY23* based on trailing-12-month data

Technical Outlook

- Technically, share price has climbed above daily SMA200 and was on the rise since end-2022. The uptrend formation was re-established following the short-term breakout above RM0.825 accompanied by improved volumes. For now, traders may anticipate for a breakout above RM0.88 to target the next resistances at RM0.915-0.93 with long term target set at RM0.99. Support is pegged at RM0.825 and cut loss is located at RM0.82.

Glossary

| | |
|------------------------------|--|
| Last Price (RM) | Last closing price |
| 5 Day Change (%) | Percent change in price over the last five days. The formula is: $\frac{[(\text{Last Trade} - \text{Closing Price Five Days Ago}) / \text{Closing Price Five Days Ago}] \times 100}{1}$ |
| 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 |