

Poh Huat Resources Holdings Bhd

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

Benefitting from strengthening of USD

- Operates at a production space in excess of 3.5m sqf in both Malaysia and Vietnam with products sold to over 60 countries in 5 continents across the globe.
- A one-stop furniture manufacturer; well equipped to capitalise on the stronger demand from the US-China trade diversion amid strengthening of USD.
- Demand to remain stable premised to the rising adoption of work-from-home policy.
- Technically, price has formed a flag-formation breakout above RM1.42 which may propel share price higher towards the next resistances at RM1.51-RM1.57 with long term target at RM1.64.

POHUAT daily: Flag-formation breakout



M+ Wiz

Trading Catalyst

- Poh Huat Resources Bhd (Poh Huat) operates at a production space in excess of 3.5m sqf in both Malaysia (1.5m sqf) and Vietnam (2.0m sqf), supported by approximately 6,500 staff force within the group. Poh Huat products are marketed under the brand name of AT Office System and AT Home System and sold to over 60 countries in 5 continents across the globe.
- Their position as one of the leading furniture manufacturers is well regarded as a one-stop furniture manufacturer with the ability to manufacture products for living room, bedroom, dining room, guest room, or office. We reckon that Poh Huat is well equipped to capitalise on the stronger demand from the US-China trade diversion, while the strengthening of USD also benefits the group.
- Demand is also expected to remain stable premised to the rising adoption of work-from-home policy. At current share price of RM1.44, prospective dividends are fairly attractive at 5.5-5.8% for FY22f and FY23f, respectively.

POH HUAT RESOURCES HOLDINGS BHD

Last Price (RM)	1.44
5 Day Change (%)	2.9
1 Day Range Percentile (%)	100.0
5 Day Range Percentile (%)	100.0
52Week Range Percentile (%)	55.2
Volatility 30D	16.6
EMA9, EMA20, EMA60 Trend	Uptrend
Price vs. EMA20 (%)	4.3
DMI DI+	29.2
DMI DI-	18.5
ADX	16.6
Price Skew	UP
RSI 14D	68.2
RSI OB/OS	Positive
Price vs. Bollinger Band (%)	100.9

Bloomberg

Financial snapshot

FYE Oct	FY21	FY22f	FY23f
Revenue (RM m)	554.7	758.3	755.0
Net profit (RM m)	32.2	62.4	59.2
Shares (m)	265.0	265.0	265.0
EPS (sen)	12.2	23.5	22.4
DPS (sen)	1.0	7.9	8.4
P/E (x)	11.8	6.1	6.4
DY (%)	0.7	5.5	5.8

Bloomberg

Technical Outlook

- Technically, share price is on the rebound formation after bottoming out in July 2022. Price has crept above SMA200, before forming a flag-formation breakout above RM1.42. The aforementioned move may propel price higher towards the next resistances at RM1.51-RM1.57 with long term target at RM1.64. Support is pegged at RM1.38 and cut loss is located at RM1.37.

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