

Sunway Construction Group Bhd

Underpinned by record high orderbook

- Malaysia's largest pure play construction company listed on Bursa Malaysia, capable of delivering integrated construction services works with over 40 years of experience.
- Outstanding orderbook of RM11.7bn (as of end-4Q22) implies and orderbook-to-cover ratio of 5.1x against trailing-12-months revenue of RM2.28bn.
- To leverage onto the upcoming re-tableting of Budget 2023 which we expect mega infrastructure projects to remain on the cards.
- Technically, traders may anticipate for a potential breakout above RM1.70 to target the next resistances at RM1.80-1.87 with long term target at RM2.00.

SUNCON daily: Monitor for breakout



M+ Wiz

Trading Catalyst

- Sunway Construction Group Bhd (SUNCON) is regarded as Malaysia's largest pure play construction company listed on Bursa Malaysia. The group is capable of delivering integrated construction services works, having delivered various private and public infrastructures and building works over the past 40 years.
- After chalking in RM8.60bn of new orders in FY22, SUNCON's outstanding orderbook of RM11.7bn (as of end-4Q22) that implies and orderbook-to-cover ratio of 5.1x against their trailing-12-months revenue of RM2.28bn will provide earnings strong visibility over the long term.
- Moving forward, SUNCON will continue to leverage onto the upcoming re-tableting of Budget 2023 which we expect mega infrastructure projects to remain on the cards. As of 3QFY22, SUNCON is operating in a healthy balance with a net cash position of RM168.4m, translating to net cash per share of RM0.13 (c.7.7% of share price).

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SUNWAY CONSTRUCTION GROUP BHD

Last Price (RM)	1.62
5 Day Change (%)	1.3
1 Day Range Percentile (%)	100.0
5 Day Range Percentile (%)	100.0
52Week Range Percentile (%)	56.3
Volatility 30D	21.1
EMA9, EMA20, EMA60 Trend	Consolidation
Price vs. EMA20 (%)	0.2
DMI DI+	12.4
DMI DI-	15.2
ADX	33.9
Price Skew	UP
RSI 14D	39.3
RSI OB/OS	Negative
Price vs. Bollinger Band (%)	47.1

Bloomberg

Financial snapshot

FYE Dec	FY22	FY23f	FY24f
Revenue (RM m)	1729.2	2280.2	2772.5
Net profit (RM m)	112.6	125.7	152.8
Shares (m)	1289.4	1289.4	1289.4
EPS (sen)	8.7	9.7	11.8
DPS (sen)	5.0	6.0	7.0
P/E (x)	19.5	17.4	14.3
DY (%)	2.9	3.5	4.1

Bloomberg

Technical Outlook

- Technically, share price has formed a consolidation since mid-2022 before staging a recovery towards end-2022. Price has gradually marched higher above the daily SMA200 and the uptrend formation was also established. With price forming a short-term higher high and higher low formation, traders may anticipate for a potential breakout above RM1.70 to target the next resistances at RM1.80-1.87 with long term target at RM2.00. Support is pegged at RM1.62 and cut loss is located at RM1.61.

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