Technical Focus

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YTL Hospitality REIT

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

Recovery in tourism activities bodes well

- **Operates a wide portfolio of prime hotel properties partnering renowned international brands such as JW Marriott and Ritz-Carlton that are spread across Malaysia, Japan and Australia.**
- **Australia's portfolio occupancy rate recovered to 78.7% in 2QFY23, while portion of the rental income for Malaysia and Japan properties that were deferred will be repaid progressively over 7 years.**
- **Recovery in tourism activities bodes well for YTLREIT, premised to the strategic hotels and resorts location.**
- **Technically, traders may anticipate for a potential breakout above RM0.945, targeting the next resistances at RM0.975-0.99, with long term target at RM1.05.**

YTLREIT daily: Monitor for breakout

M+ Wiz

YTL HOSPITALITY REIT	
Last Price (RM)	0.945
5 Day Change (%)	2.2
1 Day Range Percentile (%)	1.0
30 Day Range Percentile (%)	1.0
52Week Range Percentile (%)	51.4
Volatility 30D	13.9
EMA9, EMA20, EMA60 Trend	Consolidation
Price vs. EMA20 (%)	0.3
DMI DI+	12.8
DMI DI-	13.2
ADX	11.0
Price Skew	NEUTRAL
RSI 14D	47.4
RSI OB/OS	Negative
Price vs. Bollinger Band (%)	55.3
Bloomberg	

Trading Catalyst

- YTL Hospitality REIT (YTLREIT) operates a wide portfolio of prime hotel properties that are spread across Malaysia, Japan and Australia. To-date, the group operates more than a dozen of hotels/resorts, partnering renowned international brands such as JW Marriott and Ritz-Carlton.

- While portfolio in Malaysia and Japan are under the master leases agreement, Australia's portfolio occupancy rate jumped to 78.7% in 2QFY23 (against 43.8% in FY22). Meanwhile, we expect portion of the rental income for its Malaysia and Japan properties (except The Green Leaf Niseko Village) that were deferred for 24 months from 1st July 2020 until 30th June 2022 will be repaid over 7 years may see minor boost in contribution in the coming years.

- We reckon that the recovery in tourism activities bodes well for YTLREIT, premised to the strategic hotels and resorts location. As at end-2QFY23, YTLREIT gearing stood at 41.4%, implying room to undertake RM833.0m worth of external debt to fund future asset acquisitions.

Financial snapshot

FYE Jun	FY22	FY23f	FY24f
Revenue (RM m)	366.0	490.0	517.0
Net profit (RM m)	90.2	111.3	111.1
Shares (m)	1704.0	1704.0	1704.0
EPS (sen)	5.3	6.5	6.5
DPS (sen)	4.0	8.0	10.0
P/E (x)	17.7	14.3	14.3
DY (%)	4.3	8.6	10.7
Bloomberg			

Technical Outlook

- Technically, price has recovered since mid-October 2022. After gradually marching higher till mid-February 2023, price has turned into a consolidation in recent months. With price supported above daily SMA200, traders may anticipate for a potential breakout above RM0.945, targeting the next resistances at RM0.975-0.99, with long term target at RM1.05. Support is pegged at around RM0.905, while cut loss is set at RM0.90.

Disclaimer

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