

Avaland Berhad

Focus On Quality, Spurring Stronger Sales

- In 3Q23 AVALAND reported a net profit of RM17.2m from RM6.2m (+127.5% YoY)
- Property outlook to be boosted by easing interest rates and government initiatives.
- New management team to direct AVALAND to a stronger outlook
- Technically, AVALAND has experienced a breakout above RM0.25 and closed at RM0.265. Monitor for a breakout, targeting RM0.285-0.29, with a LT target at RM0.325. Support is located around RM0.245-0.25, while cut loss is at RM0.24.

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Company profile

AVALAND is a property developer with various developments at Cyberjaya, Petaling Jaya and Subang Jaya. They became a subsidiary of Ayala Land Inc. and has since expanded its product offerings to luxury residences

AVALAND daily: Sideways consolidation breakout



Bloomberg

Trading Catalyst

- **AVALAND has seen an increase in quarterly revenue and net profit.** In 3Q23 AVALAND reported a net profit of RM17.2m from RM6.2m (+127.5% YoY) on the back of the stronger revenue of RM156.2m from RM56.3m (+277.6% YoY). The stronger sales were supported by the advanced construction stage combined with healthy take up for AVALAND's ongoing projects.
- **Property outlook to be boosted by easing interest rates and Government initiatives.** The pause in OPR hikes in July, the increase in the overhang of residential properties in Malaysia and Government initiatives such as the stamp duty exemptions for first-time homebuyers, the Housing Credit Guarantee Scheme as well as the easing requirements for MM2H are likely to boost home-ownership.
- **New management team to direct AVALAND to a stronger outlook.** Since the change in management team (appointment of The Heng Chong as CEO in 2019), the company has started seeing improving earnings after 1Q23. AVALAND has started to focus on building better brand, focusing on quality of their products. Despite The resigning from his post in Jan 2024, the new CEO will be more than capable to carry the company in the right direction.

AVALAND BHD

Last Price (RM)	0.265
5 Day Change (%)	1.9
1 Day Range Percentile (%)	100.0
5 Day Range Percentile (%)	100.0
52Week Range Percentile (%)	85.7
Volatility 30D	50.1
EMA9, EMA20, EMA60 Trend	Consolidation
Price vs. EMA20 (%)	#DIV/0!
DMI DI+	27.7
DMI DI-	17.9
ADX	29.8
RSI 14D	46.9
RSI OB/OS	Negative
Price vs. Bollinger Band (%)	93.6

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Financial snapshot

FYE Dec	FY21	FY22	LTM
Revenue (RM m)	326.9	224.9	423.2
Net profit (RM m)	-16.2	0.5	42.0
Shares (m)	1457.0	1457.0	1457.0
EPS (sen)	-1.1	0.0	3.0
DPS (sen)	0.0	0.0	0.0
P/E (x)	-23.3	774.3	8.7
DY (%)	0.0	0.0	0.0

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LTM represents the trailing 12 months financial figures.



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Tuesday, 16 Jan, 2024

Technical Outlook

- Share price had experienced a flag formation breakout above RM0.25, and closed at RM0.265. As the technical readings are positive, we expect follow-through buying interest to be seen in the near term, targeting RM0.285-0.29, with a LT target at RM0.325. Support is set around RM0.245-0.25, with a cut loss set around RM0.24.

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As of **Tuesday, 16 Jan, 2024**, the analyst(s), Loui Low Ley Yee, whose name(s) appears on the front page, who prepared this report, has interest in the following securities covered in this report:
(a) nil.

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.
Price vs. Bollinger Band (%)	If the RSI 14 days is lower or equal to 30, it will be stated Oversold. Position of the price compare to the Bollinger band in percentage



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