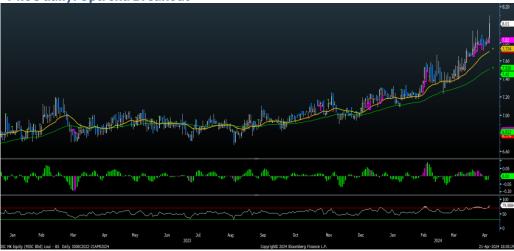# MISC Berhad

Beneficiary of Stronger Upstream O&G Demand

- **Petroleum shipping segment is expected to be boosted by increased rates.**
- **Offshore business to benefit from strong demand for FPSOs.**
- **LNG segment prospects remain stable from LNG demand in Asia and higher investments in LNG infrastructure.**
- **Technically, MISC last closed at RM8.01. Monitor for a breakout, targeting RM8.40-8.50, with a LT target at RM8.60. Support is located around RM7.70-7.80, while cut loss is at RM7.65.**

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Company profile

MISC provides trucking, warehousing and forwarding service, containers and prime movers repair, and container haulage. MISC also has operation in trucking and launch operator.

MISC daily: Uptrend Breakout

Bloomberg

MISC BHD	
Last Price (RM)	8.01
5 Day Change (%)	2.8
1 Day Range Percentile (%)	100.0
5 Day Range Percentile (%)	76.3
52Week Range Percentile (%)	92.2
Volatility 30D	11.8
EMA9, EMA20, EMA60 Trend	Uptrend
Price vs. EMA20 (%)	3.6
DMI DI+	38.2
DMI DI-	5.6
ADX	54.5
RSI 14D	58.5
RSI OB/OS	Positive
Price vs. Bollinger Band (%)	109.7

Bloomberg

Trading Catalyst

- **Petroleum shipping segment is expected to have increased rates** on the back of more exports from the Atlantic, higher crude imports in Asia, and potentially stronger tonne-mile demand due to trade route changes amid the tension in the Middle East.

- **Offshore business to benefit from strong demand for FPSOs** amid the elevated oil prices, which is expected to bolster the upstream O&G sector, hence we should see continued global demand for oil and higher capex spending on O&G infrastructure.

- **LNG segment prospects remain stable from LNG demand in Asia and higher investments in LNG infrastructure.** Additionally, greater environmental restrictions on vessels as well as the disruptions to the Suez and Panama canals should improve demand for LNG vessels.

Technical Outlook

- Share price has been consolidating around RM7.83 and last closed at RM8.01. As the technical readings are positive, we expect follow-through buying interest to be seen in the near term, targeting RM8.40-8.50, with a LT target at RM8.60. Support is set around RM7.70—7.80, with a cut loss set around RM7.65.

Financial snapshot

FYE Dec	FY22	FY23	FY24f
Revenue (RM m)	13867.0	14271.7	13644.2
Net profit (RM m)	1822.9	2123.5	2294.7
Shares (m)	4463.8	4463.8	4463.7
EPS (sen)	40.8	47.6	51.4
DPS (sen)	33.0	36.0	33.8
P/E (x)	19.6	16.8	15.6
DY (%)	4.1	4.5	4.2

Bloomberg

FY24f represents the forecasted figures for FY24.

Disclaimer

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As of **Monday, 22 Apr, 2024**, the analyst(s), Chiang Fong Kai, 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.
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