# WENTEL (0298)

## Security Screening Devices On The Uptrend

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Bloomberg

**Wentel Engineering Holdings Bhd**

### Company profile

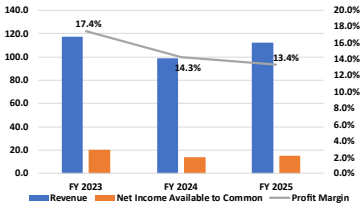
Principally involved in the fabrication of semi-finished metal products, fabrication of metal parts, and assembly of finished products, supported by in-house facilities such as CNC machines and other manufacturing equipment, as well as surface treatment and coating facilities.

### Technical Data

| | |
|---|---|
| Price | 0.335 |
| R1 | 0.370 |
| R2 | 0.375 |
| S1 | 0.315 |
| S2 | 0.310 |
| MACD | - |
| RSI | - |

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### Financial Snapshot




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## Technical Outlook

**Triangle formation breakout.** WENTEL has broken above its previous resistance band at RM0.310–0.315 accompanied by strong volume. Despite staying above the 3 EMAs, we expect some consolidation as the RSI signals overbought conditions, before a possible move toward the next resistance at RM0.370–0.375. A fall below RM0.310 would invalidate this outlook.

## Trading Catalysts

- **Another tariff up the sleeve…** The 90-day tariff truce did little to defuse trade tensions, as Trump continued to threaten its trading partners with further tariff hikes, which would make it far more expensive for importers from other nations to buy American goods.

- **…unlocking demand for security screening segment.** As trade tensions mount, we believe that import inspections and compliance measures are expected to become more stringent, spurring demand for security screening equipment especially for airports and ports.

- **Strong backlog order growth.** Wentel's major customer, Rapiscan—OSI Systems, has recorded strong backlog growth, registering a CAGR of 19% over the past four years. Notably, in its latest conference call, OSI guided for double-digit growth in FY25, which should directly translate into a healthy order flow for Wentel.

## Peer Comparison

| Company | Price (RM) | Market Cap (RM'm) | P/E (x) | Forward P/E (x) | ROE (%) | NP Margin (%) | RSI | ST Trend | M+ Scoring Quality | M+ Scoring Momentum | M+ Scoring Combined |
|---|---|---|---|---|---|---|---|---|---|---|---|
| **WENTEL** | **0.335** | **385.3** | **18.7** | **-** | **11.3** | **13.4** | **Positive bias** | **Up** | **C** | **C** | **B** |
| DUFU | 1.260 | 671.1 | 26.8 | - | 7.2 | 8.7 | Positive bias | Up | C | E | E |
| UWC | 2.100 | 2316.1 | 87.3 | - | 5.9 | 6.3 | Positive bias | Up | D | E | E |
| CPETECH | 0.905 | 607.5 | 26.5 | 25.9 | 7.1 | 12.3 | Positive bias | Up | C | E | E |
| SFPTECH | 0.200 | 480.0 | 0.0 | 0.0 | 4.7 | 7.1 | Oversold | Down | B | E | E |
| **Avg ex-WENTEL** | | **1198.2** | **46.9** | **-** | **6.8** | **9.1** | | | | | |

Source: Bloomberg, M+ Research

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(a) nil.