

Formosa Prosonic Industries Bhd

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One of the leading high quality sound system manufacturers

- One of the leading manufacturers of high quality sound system in Malaysia with manufacturing facilities span across 954,666 sqf of land area at Port Klang, Selangor and Sungai Petani, Kedah.
- Global speaker market will post a 5Y CAGR growth of 13.1% to reach USD29.3bn in 2024, backed by the ever-evolving automotive industry, coupled with the growing adoption of smart home devices.
- Equipped with a solid balance sheet with a net cash position of RM267.0m in FY20, translating to net cash per share of RM1.08 (c.35.9% of share price). Technically, the resistance breakout above RM2.96 suggests further upside towards the next resistances at RM3.30-3.43 with long term target at RM3.70.

FPI daily: Resistance breakout



M+ Wiz

Trading Catalyst

- Formosa Prosonic Industries Bhd (FPI) was established since 1989 and has evolved into one of the leading manufacturers of high quality sound system in Malaysia. To-date, FPI's manufacturing facilities span across 954,666 sqf of land area at Port Klang, Selangor and Sungai Petani, Kedah.
- According to Technavio, global speaker market will post a 5Y CAGR growth of 13.1% to reach USD29.3bn in 2024. The move will be back by the shift demand for portable speakers and sound bars, tagging along to the ever-evolving automotive industry, coupled with the growing adoption of smart home devices.
- We gather that FPI is backed by a solid balance sheet with a net cash position of RM267.0m in FY20, translating to net cash per share of RM1.08 (c.35.9% of share price). At current price of RM3.01, we also note that dividend yield is fairly attractive at 4.7%.

FORMOSA PROSONIC INDUSTRIES BHD

Last Price (RM)	3.01
5 Day Change (%)	7.5
1 Day Range Percentile (%)	100.0
5 Day Range Percentile (%)	85.2
52Week Range Percentile (%)	81.2
Volatility 30D	57.1
EMA9, EMA20, EMA60 Trend	Uptrend
Price vs. EMA20 (%)	6.1
DMI DI+	26.1
DMI DI-	15.9
ADX	20.6
Price Skew	DOWN
RSI 14D	78.6
RSI OB/OS	Overbought
Price vs. Bollinger Band (%)	107.1

Bloomberg

Financial snapshot

FYE Dec	FY18	FY19	FY20
Revenue (RM m)	560.5	766.2	766.0
Net profit (RM m)	36.4	41.7	51.9
Shares (m)	247.4	247.4	247.4
EPS (sen)	14.7	16.9	21.0
DPS (sen)	10.0	11.0	14.0
P/E (x)	20.4	17.8	14.3
DY (%)	3.3	3.7	4.7

Bloomberg

Technical Outlook

- Technically, share price is on the uptrend formation since end-2020. After the recent pullback towards the daily EMA60 level, price has gathered pace again. With price continues to form the higher low formation, price has experienced a resistance breakout above RM2.96 with improved volumes, suggesting for further upside towards the next resistances at RM3.30-3.43 with long term target at RM3.70. Support is pegged at RM2.77 and cut loss is located at RM2.76.

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. 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
