

Nearmap (NEA: \$A2.36)

Nearmap sinks 4.5% on slipping relative strength, announces an increase of shares Thursday September 17, 2020 16:00 AEST

Nearmap Ltd. (ASX:NEA), Australia's 8th largest Commercial & professional services company by market cap, has sunk 11.0c (4.5%) from its previous trading session to close at \$A2.36. Compared with the All Ordinaries Index which fell 77.7 points (1.3%) in the day, the relative price change was -3.2%.

In the Australian market, the stock's relative price strength percentile is slipping at 63 for 6 months, 38 for 3 months, and 25 for 30 days. A price fall combined with a slipping relative strength is a bearish signal.

There were 6,122,702 shares worth \$A14.4 million traded today. The volume was close to average trading.

Figure 1: Stock Identifiers

ISIN	AU000000NEA8
PermID	4295856783

Fig 2: Stock Summary

52-Week Range	83.0c-\$A3.22
Market Cap	\$A1.1 billion
Shares Outstanding	480,213,907
Relative Strength (3 mo)	38

Fig 3: Technical Indicators

Name	Value	Comment
MACD	-0.01	Sell
CCI	-118.9	Sell
MFI	23.4	Neutral

Fig 4: Moving Averages

Name	Value	Comment
P/MAP10	0.85	Price/MAP10 below 1 and falling
P/MAP20	0.83	Price/MAP20 below 1 and falling
P/MAP50	0.93	Price/MAP50 below 1 and falling

Fig 5: Financials Summary

Year ended Jun	FY2020	FY2019	FY2018
Sales (USD M)	97.5	79.4	40.1
Pretax (USD M)	(37.1)	(9.8)	(6.1)
Net (USD M)	(36.7)	(14.9)	(8.2)

Bearish Signals

Downtrend

Fig 6: Price/Moving Average Price and MACD:

- The Moving Average Convergence Divergence (MACD) indicator of 12-day Exponential Moving Average (EMA) of 2.64 minus the 26-day EMA of 2.64 is negative suggesting a bearish signal. Both the 12-day EMA as well as the 26-day EMA are falling, another bearish signal.
- The price to 50-day EMAP ratio is 0.9, a bearish indicator. In the past 50 days this ratio has been under 0.9 just twice suggesting a support level. The 50-day EMAP has decreased to \$A2.53. A decrease is another bearish indicator.

Past Week:

- Nearmap is placed 1218/1485 in BuySellSignals' ranking of Australian performers in the past week, a percentile ranking of 18.
- In the past week, volume was 1.8 times average and the shares were down 4.1%. Thursday's close price is at a 1.7% discount to its 5-day Volume Weighted Average Price (VWAP) of \$A2.40.
- The stock posted falls of more than 6.4% on 2 out of 5 days in the past week of trading. The steepest fall was 14.9%.

Past Month:

- The price sank 6.0% in the past month. The fall has been exacerbated by a firm volume of 1.2 times average for the month.
- Compared with the All Ordinaries Index which fell 2.4% for the month, this represented a relative price decrease for Nearmap's stock of 3.6% for the month.
- The present value of \$1,000 (PV1000) invested one month ago in Nearmap is \$A940, for a capital loss of \$A60.

Slipping Relative Strength (1mo, 3 mo):

- In the Australian market of 1,512 stocks and 21 units traded today, the stock has a 6-month relative strength of 63 which means it has outperformed 63% of the market.
- Also, the relative strength percentile is slipping at 38 for 3 months and 25 for 1 month.

Short Selling:

- In the Australian Short Selling market of 902 stocks, short selling (on ASX and CHI-X) as a % of issued shares ranked 6th and within the top quartile of stocks. This means it was higher than market average of 0.22%, a bearish indicator.
- The current short volume is 1.8 times its own historical average of 0.2%. It soared 35.0% from the previous day, soared 162.5% from a week ago and soared 102.9% from a month ago, a significant bearish indicator.

Overvaluation [compared with sector average]

Price to Sales:

- Price/Sales of 8.5 [1.4].

MCap/Total Assets:

- Tobin's Q Ratio, defined as MCap divided by Total Assets, is 5.6. Compared with the rest of the market the stock is overvalued and ranks in the bottom quartile of stocks by value of Q Ratio.

Overvaluation Indicator and rank of Nearmap in the Australian market:

Description	Value	Rank In Market
Price to Sales	8.5	In Bottom 19%