

## Alliance Aviation Services (AQZ: \$A3.76)

Alliance Aviation Services adds \$A10 million (1.6%) in MCap, top heavyweight rise in Transportation sector Wednesday January 13, 2021 16:00 AEST

Alliance Aviation Services Limited (ASX:AQZ), Australia's 8th largest Transportation company by market cap, has increased 6.0c (1.6%) from its previous trading session to close at \$A3.76. Compared with the All Ordinaries Index which rose 14.8 points (0.2%) in the day, the relative price increase was 1.4%. Today the stock traded at its seven-day high of \$A3.78.

It posted the highest rise in MCap \$A9.6 million with the most influence on the Transportation sector. Its MCap is \$A603.4 million.

There were 74,007 shares worth \$A278,266 traded today. The volume was 0.3 times the average daily trading volume of 256,998 shares.

### Figure 1: Stock Identifiers

<b>ISIN</b>	AU000000AQZ6
<b>PermID</b>	5037061958

### Fig 2: Stock Summary

<b>52-Week Range</b>	97.0c-\$A4.08
<b>Market Cap</b>	\$A603.4 million
<b>Shares Outstanding</b>	160,476,516
<b>EPS Growth (%)</b>	13.1
<b>Relative Strength (3 mo)</b>	41

### Fig 3: Technical Indicators

Name	Value	Comment
RSI	32.1	Neutral
MACD	0.01	Buy
William % R	-67.4	Neutral
MFI	32.3	Neutral

### Fig 4: Moving Averages

Name	Value	Comment
P/MAP10	1.02	Price/MAP10 above 1 and rising
P/MAP50	1.12	Price/MAP50 above 1 and rising
P/MAP200	1.29	Price/MAP200 above 1 and rising

### Fig 5: Financials Summary

Year ended Jun	FY2020	FY2019	FY2018
Sales (\$ M)	232.1	215.3	192.7
Pretax (\$ M)	31.7	25.5	20.3
Net (\$ M)	21	17.7	14.1
EPS (AUD)	0.2109	0.1865	0.1472

## Bullish Signals

### Uptrend

Today's Volatility:

- Alliance Aviation Services (AQZ:\$A3.76) rises 1.6% on increasing volatility: Since the start of trading its volatility (highest price minus lowest price/lowest price) of 3.0% was 0.7 times the average daily volatility of 4.5%, up from 2.5% on Tuesday and 2.7% on Monday.

Fig 6: Price/Moving Average Price and MACD:

- The Price/MAP of 1.29 for AQZ is higher than the Price/MAP for the All Ordinaries Index of 1.15.  
 - The Moving Average Convergence Divergence (MACD) indicator of 12-day Exponential Moving Average (EMA) of 3.76 minus the 26-day EMA of 3.76 is positive suggesting a bullish signal.  
 - The price to 50-day EMAP ratio is 1.0, a bullish indicator. In the past 50 days this ratio has exceeded 1.0, 25 times suggesting further upside. The 50-day EMAP has increased to \$A3.69. An increase is another bullish indicator.  
 - The price to 200-day MAP ratio is 1.29, a bullish indicator. In the past 200 days this ratio has exceeded 1.29, 91 times suggesting further upside. The stock is trading above both its MAPs and the 50-day MAP of \$A3.36 is higher than the 200-day MAP of \$A2.91, a bullish indicator. The 200-day MAP has increased to \$A2.91. An increase is another bullish indicator.

Past Week:

- Alliance Aviation Services is placed 675/1639 in BuySellSignals' ranking of Australian performers in the past week, a percentile ranking of 59.  
 - In the past week, volume was 0.4 times average and the shares were up 0.5%. Wednesday's close price is at a 1.1% premium to its 5-day Volume Weighted Average Price (VWAP) of \$A3.72.

Past Month:

- In the past three months the stock has hit a new 52-week high thrice.

Fig 7: High Price Performance Indicators and rank of Alliance Aviation Services in the Australian market:

Description	AQZ Value	Rank In Market
Today's Trading Turnover	\$A278,266	In Top 20%
MCap	\$A603.4 million	In Top 21%

### Undervaluation [compared with sector average]

Earnings Yield:

- Earnings yield of 5.6% is 5.2 times the 10-year bond yield of 1.09%.

Price to Sales:

- Price/Sales of 2 [2.6]. We estimate Alliance Aviation Services stock is trading at a current year Price/Sales of 1.8 and a forward year Price/Sales of 1.7.

MCap/Total Assets:

- Tobin's Q Ratio, defined as MCap divided by Total Assets, is 1.4. Compared with the rest of the market the stock is undervalued.