

Adairs (ADH: \$A3.20)

Adairs drops 2.7% on slipping relative strength Thursday
September 24, 2020 16:00 AEST

Adairs Limited (ASX:ADH), Australia's 19th largest Retailer by market cap, has dropped 9.0c (2.7%) from its previous trading session to close at \$A3.20. Compared with the All Ordinaries Index which fell 54.8 points (0.9%) in the day, the relative price change was -1.8%.

In the Australian market, the stock's relative price strength percentile is slipping at 95 for 6 months, 70 for 3 months, and 40 for 30 days. A price fall combined with a slipping relative strength is a bearish signal.

There were 752,934 shares worth \$A2.4 million traded today. The volume was 0.5 times the average daily trading volume of 1.4 million shares.

Figure 1: Stock Identifiers

ISIN	AU000000ADH2
PermID	5001226978

Fig 2: Stock Summary

52-Week Range	39.21c-\$A3.51
Market Cap	\$A530.8 million
Shares Outstanding	165,874,785
Relative Strength (3 mo)	70

Fig 3: Technical Indicators

Name	Value	Comment
RSI	44.6	Neutral
William % R	-42.9	Neutral
MFI	40.8	Neutral

Fig 4: Moving Averages

Name	Value	Comment
P/MAP20	0.99	Price/MAP20 below 1 and falling

Fig 5: Financials Summary

Year ended Jul	FY2019	FY2018	FY2017
Sales (\$ M)	250.5	228.9	192.9
Pretax (\$ M)	30.7	31.9	21
Net (\$ M)	21.6	22.2	15.3
EPS (AUD)	0.179	0.184	0.127

Bearish Signals

Overvaluation [compared with sector average]

Price to Sales:

- Price/Sales of 1.5 [1.4].

MCap/Total Assets:

- Tobin's Q Ratio, defined as MCap divided by Total Assets, is 2.5.

Compared with the rest of the market the stock is overvalued.