

## Ultra Clean Holdings Inc (UCTT)

Ultra Clean Holdings, Inc. is engaged in the design, engineering and manufacture of production tools, modules and subsystems for the semiconductor capital equipment industry. The Company's products include precision robotic solutions; gas delivery systems; a range of industrial and automation production equipment products; subsystems that includes wafer cleaning sub-systems, chemical delivery modules, top-plate assemblies, frame assemblies, and process modules. The Company offers its products for the semiconductor capital equipment and equipment industry segments. It also sells to the consumer, medical, energy, industrial, flat panel and research equipment industries.

### Company Facts [Website](#)

Ticker	Market Cap	Sector	Exchange	Currency	Indices
UCTT	\$773m	Semiconductors	NASDAQ	\$	NASDAQ

### Key Features

- A company with global appeal concentrating on complex integration, system testing, and recognized as the partner of choice for semiconductor capital equipment manufacturing companies engineering, and involvement in the future 3D printing fabrication.
- Leading outsourcing manufacturer for the semiconductor capital equipment industry
- Ultra Holdings has operations in the US, Czech Republic, China(Shanghai), Philippines, Singapore
- The Company provides its original equipment manufacturing (OEM) customers an outsourced solution for the development, design, component sourcing, prototyping, engineering, manufacturing and testing of various systems.
- Outperforming a growing Semiconductor WFE market. Wafer Fab Equipment Spending reaching new highs
- Year on year Ultra Clean Holdings Inc grew revenues 19.96% from \$469.10m to \$562.76m while net income improved from a loss of \$10.73m to a gain of \$10.05m.
- Q1 2017 delivered yet another record in revenue and profitability. Q1'17 revenue of \$205m 17.2% increase quarter-over-quarter 82.3% increase year-over-year
- Year on year share performance increase 307%. (26 May 2016 \$5.93 26 May 2017 \$24.12)

### Recent News

- UCCT to present at the [Stifel Technology, Internet and Media Conference](#) June 6, 2017

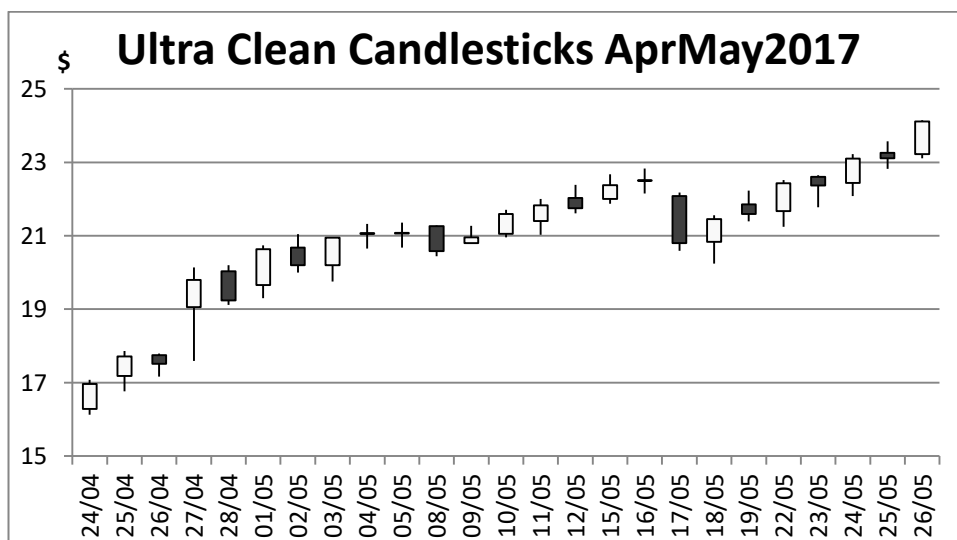
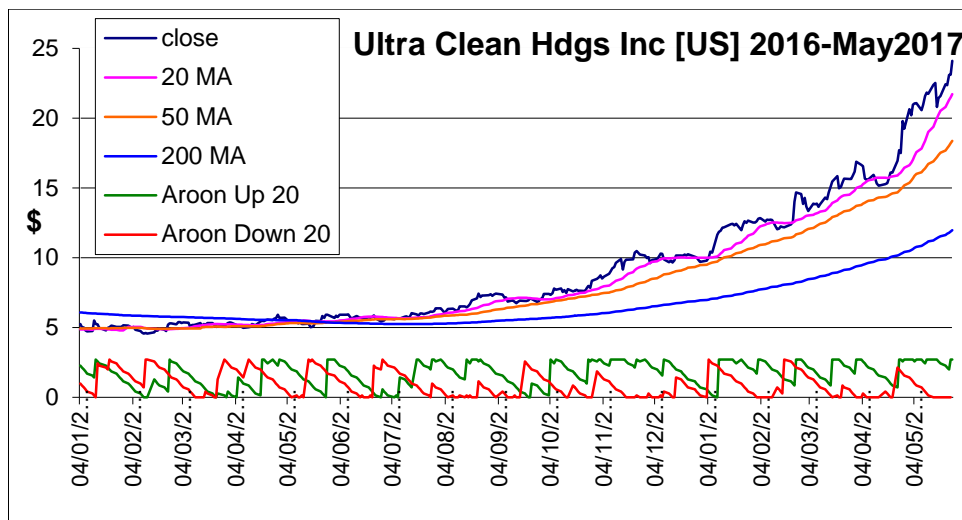
### Financial Performance

- [Investor Presentation May 2017](#)
- [First Quarter 2017 results](#)

### Key Statistics [UCTT](#) [Analyst Estimates](#)

<a href="#">Results</a>	2015 \$mil	2016 \$mil	Change %
Revenue (Millions)	469.1	562.7	19.9
Gross profit	71.0	86.7	22.1
EBIT	3.6	18.9	425.0
Net Income	(10.7)	10.0	193.5
Total Assets	336.1	380.7	13.2
Current Asset Ratio	1.96x	1.34x	(32.6)
Change in Cash	(28.9)	2.4	Move+31.3
EPS	0.10	0.47	370
Piotroski F Score	Fair	6	
Altman Z Score	Safe	5.0	

**TECHNICAL ANALYSIS** – Technical Diagnosis – Moving Averages are traditionally used as lagging indicators on the general trend of a share. All moving averages for Ultra Clean Holdings Inc have been upward sloping in line with its price action. Since June 2016 Price action and Moving Averages have been in the ascendancy with a sharp incline from Jan 2017. Momentum has been in evidence and break outs from resistance levels have been in play. Despite minor retracements, price with its moving averages keeps heading northwards emphasizing that traction in progress. Resistance seems to turn into support at \$5 internals. The 200 day moving average has been on rising momentum since June 2016 where market consensus has been to the upside. On 26 May 2017 the price was above the 20 Day MA which was above the 50 Day MA which was above the 200 Day MA. This is the ideal formation for upward long term price action. No pullback is currently in play. Confirming investor’s sentiment is the continual Aroon pattern set up where since Jan 2017 Aroon UP has consistently being above its sister equivalent Aroon DOWN. The cross over in Aroon Up over with its Aroon DOWN counterpart since March 2017, has seen UP being in the 50% quadrant against it DOWN equivalent which has been in the below 50% quadrant. The positivity of Aroon UP suggests that momentum will continue until the break down occurs. An early indicator of this will occur when Aroon UP moves to the lower quadrant (below 50%) and Aroon Down moves to the higher quadrant [above 50%]. Currently the 20 period Aroon UP is close to its maximum and Aroon DOWN close to it Minimum implying that, short of a sharp reversal in price action, price will continue its march up the hill. Bullish candlesticks have been norm for the months of April and May 2017 where despite the bearish candlestick on 17May bullish kicker candlesticks have been the norm with closing prices continually ending higher each following day. The 26May strong bullish candlestick suggests that price action is heading towards \$25 resistance level. One must always accept that a pullback may occur in the future but sentiment suggests that momentum has been and is still in play. Believing this to be a worthwhile opportunity in conjunction with fundamental analysis, I bought 385 shares at \$23.13 on 24 May on the basis that the stock is consistent with value momentum. The upward trend has been in existence since June 2016. Unless general market changes course, I see this share as potential growth momentum although this can not be guaranteed. **Please note this analysis is not advice but interpretation of potential market moves. Performance is no guide to the future.** First Share Reviewed on 28 May 2017 at \$24.12 Current Price 23 Aug 2017 \$22.66



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