

TOP GLOVE KEEPS POLE POSITION IN RUBBER GLOVEMAKERS RALLY

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KUALA LUMPUR (May 14): Shares in Top Glove Corp Bhd rallied for the fourth consecutive day today, as it rose to new highs despite a dissipating buying momentum in other rubber glove-related counters.

At 10.47am, the FBM KLCI constituent chalked up 7.63% or 75 sen to RM10.06 with some 15.21 million shares exchanging hands. Top Glove was also among the top gainers on Bursa Malaysia.

The stock hovered between RM9.43 and RM10.52, giving the glove maker a market capitalisation of RM25.08 billion. The company has more than doubled its value year to date.

Like most of its peers, Top Glove has benefited from the Covid-19 pandemic, which saw the demand for healthcare products including rubber gloves skyrocketing globally particularly in affected countries.

This is amid fears of a second wave of Covid-19 infections following new cases reported in Wuhan — the epicentre of the global pandemic — after the city was declared free from the virus for about a month.

Globally, new clusters have emerged in countries that have recovered from the crisis, offering a stark warning of the dangers of a fresh wave.

Top Glove posted a net profit of RM115.68 million for the second quarter ended Feb 19 (2QFY20), up 9.3% from RM105.79 million recorded for 2QFY19. Revenue for the period grew 6% to RM1.23 billion from RM1.16 billion on steady sales volume.

Out of the 22 research houses which track the company, 15 have rated the firm with a "strong buy" and "buy" while the remaining seven have a "hold" or "reduce" call on the counter.

Top Glove is the world's largest manufacturer of latex gloves, according to its website. It owns and operates 44 manufacturing facilities in Malaysia, Thailand, and China. It also has marketing offices in the US, Germany, and Brazil.