

TOP GLOVE GAINS AS ZIKA SPREADS

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KUALA LUMPUR (Sept 5): Top Glove Corp Bhd gained as much as 16 sen or 3.5%, possibly in anticipation of higher demand for rubber gloves, after Zika was reported in Malaysia and Singapore.

At Bursa Malaysia, Top Glove shares rose to their highest so far today at RM4.76. At 11:57 a.m., the stock pared gains at RM4.71, with some six million shares changing hands.

Top Glove was the 10th-largest gainer. At RM4.71, the company has a market value of RM5.85 billion.

Reuters reported Malaysia is bracing for more Zika cases, officials said on Sunday, after detecting the first locally-infected patient, which could further stretch a health system struggling with dengue, another mosquito-borne virus that can be fatal.

Both Zika, which is of particular risk to pregnant women, and the dengue virus are spread by the *Aedes aegypti* mosquito, which is common in tropical Malaysia, Southeast Asia's third largest economy, and across the region. Neighboring Singapore has reported more than 200 cases of Zika.

In Malaysia today, Top Glove shares have also received market attention on the stock's technical movements.

In a research note today, Public Investment Bank Bhd recommended a "technical buy" recommendation for Top Glove shares, with a target price of RM5.10 and support level at RM4.35.

“From an all-time high of RM7.03 recorded on Jan 19, 2016, to current year’s low of RM4.20 on Aug 24, 2016, Top Glove shares has lost about 67% in value. There was a strong price movement with high volume last Friday, implying a reversal of trend and suggesting an upward continuation.

"Traded volume was substantial at 18 million shares versus 14-day average of 2.9 million," Public Investment said.