

SELLING ON TOP GLOVE CONTINUES RIGHT BEFORE QUARTERLY EARNINGS ANNOUNCEMENT LATER

11 June 2020 / 12:06



KUALA LUMPUR (June 11): Set to release its third-quarter results later this evening, selling pressure continued on shares in Top Glove Corp Bhd.

Earlier this morning, the rubber glove maker made headways by reaching new heights as investors anticipate better earnings figures for Top Glove's third financial quarter ended May 31, 2020 (3QFY20), during which the Covid-19 virus was spreading rapidly worldwide. The World Health Organization declared the outbreak a pandemic in March.

Top Glove's share price was up by as much as 48 sen or 2.81% to a high of RM17.56 — tripling since the start of this year, before it pared some of its gains and was down 28 sen or 1.64% to RM16.80 at 11am. This values Top Glove at RM44.55 billion.

CGS-CIMB Research analyst Walter Aw, in a note dated June 9, expected Top Glove's net profit to more than double year-on-year as well as quarter-on-quarter, which is to be driven by higher sales volume and average selling prices.

<https://assets.theedgemarkets.com/pictures/11062020-theedgemarkets-Glovemakers-making-h>

Image not found or type unknown

However, he viewed that the profit jump was yet to capture the full impact of the surge in glove demand caused by the pandemic as Aw saw stronger growth ahead for the glove maker.

The other big brother, Hartalega Holdings Bhd, seems to be the clear leader among the peers by going up 20 sen or 1.61% to RM12.66 at 11am, while Kossan was unchanged at RM9.08.

Supermax Corp Bhd, on the other hand, declined 14 sen or 0.12% to RM8.55, followed by Careplus Group Bhd, which slipped seven sen or 4.46% to RM1.50, and Comfort Gloves Bhd, which was 21 sen or 6.48% lower at RM3.03.