

HIGHER DEMAND FOR GLOVES DUE TO FLU OUTBREAK, SAYS TOP GLOVE

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THE EDGE MARKETS

KUALA LUMPUR: Top Glove Corporation Bhd chairman, Tan Sri Lim Wee Chai, said that the recent flu outbreak in the US may result in higher demand for rubber gloves.

"I think there may be a small demand increase, but since the supply and demand base now is very big, the outbreak will not have much effect as compared to the last time when the base was very small resulting in a big jump in percentage," said Tan Sri Lim.

He added that the flu outbreak is a "yearly affair" and happens around the winter season due to the cold weather.

Several other stocks from the rubber glove sector such as Supermax Corporation Bhd, Kossan Rubber Industries and Hartalega Group Bhd also saw increases in share price yesterday, after news of the flu outbreak.

Analysts have said that the seasonal flu activity could be a factor affecting rubber glove stocks across the board, where one analyst said that Supermax may be better positioned to capitalise on the event as

compared to Kossan and Hartalega.

Last week, CNN reported widespread flu activity in 25 states in the US with the common strain of influenza being H1N1 or formerly known as the swine flu.

Two paediatric deaths were reported last week, with one death associated to H1N1 while another to an influenza A strain, according to a report by the Centers for Disease Control and Prevention.