

Headline	Technology, industrial production top performing sectors in 2021		
MediaTitle	New Straits Times		
Date	01 Jan 2022	Language	English
Circulation	36,278	Readership	108,834
Section	Business Times	Page No	17
ArticleSize	314 cm ²	Journalist	N/A
PR Value	RM 32,472		



BURSA MALAYSIA

Technology, industrial production top performing sectors in 2021

KUALA LUMPUR: Technology and industrial production were the top two performing sectors on Bursa Malaysia last year while healthcare and energy were the laggards.

Economists are predicting an even rosier outlook for the technology sector this year while expecting healthcare to recover amid rising demand for pharmaceutical products and services.

Technology stocks saw an overall gain of 38.8 per cent as of Thursday while industrial production-related counters increased by 13.5 per cent.

However, healthcare stocks had lost 36 per cent as of Thursday while the energy sector counters had slipped 21.9 per cent.

Bank Islam chief economist Dr

Mohd Afzanizam Abdul Rashid said the healthcare sector was expected to see a further recovery in pharmaceutical demand in the first quarter as patients returned to hospitals to seek treatment.

"In addition, there could be a strong earnings boost from Covid-19 vaccine fill-and-finish works," he told the *New Straits Times* yesterday.

Afzanizam said the increase in digitalisation would boost the technology sector as well.

"The higher adoption of technology across the industries have pushed the demand for this sector. Semiconductor sales worldwide are also expected to sustain its positive growth."

The FSMOne research team expects the technology sector to



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continue to do well as the ongoing supply constraints and sustained demand for electronics products would ease in the short term.

"With the continuing recovery of the global economy, we believe that the strong global demand for local goods will continue to support the sector."

FSMOne believed that this would be a good year for the energy sector amid improving global oil demand.

In contrast, it reckoned that the healthcare sector would continue to suffer from a downward trend this year.

"The sharp fall in the average selling price for gloves, which soured investors' sentiment, would continue to weigh on the healthcare sector," it said.

Juwai IQI Global chief economist Shan Saeed said IHH Healthcare Bhd and MyEG Services Bhd had performed better than many other stocks.

However, Hartalega Holdings Bhd and Tenaga Nasional Bhd had not been able to gain traction last year, he said.