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MARKET CAPITALISATION

TNB SIZZLES TO REGAIN NO. 3 SPOT

Top Glove fails to hold on despite adding 16.65pc to end at RM22.98 yesterday

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TENAGA Nasional Bhd (TNB) has reclaimed its spot as the third-biggest stock by market capitalisation on Bursa Malaysia from Top Glove Corp Bhd.

At the opening bell yesterday, TNB shares surged four sen, or 0.35 per cent, to RM11.40 with more than 445,000 shares traded, giving it a RM64.8 billion market cap.

The stock eventually settled 18 sen, or 1.58 per cent, higher to RM11.54 for a market cap of RM65.8 billion at the close.

Meanwhile, Top Glove started the day strongly as analysts shrugged off the detention order on the group's subsidiaries in the United States.

It added 90 sen, or 4.57 per cent, to RM20.60 for a market cap of RM53.13 billion at the opening bell.

The glove maker ended the day RM3.28, or 16.65 per cent, higher at RM22.98, giving it a market cap

of about RM62 billion.

Malayan Banking Bhd and Public Bank Bhd remain Bursa's top two counters.

Top Glove's share price had been on a bull run after rising from RM7.20 on April 24 to its peak of RM24 on July 13, before dipping to RM23.20 the next day.

It suffered a big blow on Wednesday after the US Customs and Border Protection (CBP) issued a detention order on Top Glove Sdn Bhd and TG Medical Sdn Bhd.

Trading in Top Glove's shares

was suspended from 2.30pm to 3.30pm on Thursday before Bursa halted all trading due to a "technical glitch".

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Top Glove Corp Bhd's market capitalisation yesterday.

MIDF Research said the detention order could be related to foreign labour issues.

Its analyst Jessica Low Jze Tieng said earnings impact from the detention order was expected to be muted as Top Glove was confi-

dent of resolving the issue within four weeks.

"Hence, we make no changes to our earnings forecast for financial years 2020 to 2022," she said

in a report yesterday.

The research firm remained "neutral" on Top Glove, with the company having already engaged a third-party independent consultant to work towards a speedy resolution of the matter.

"We gather that the US accounts for about 25 per cent of Top Glove's total sales volume, with the two subsidiaries making up 12.5 per cent of its US sales."

In a worst-case scenario, she said Top Glove could ship its products to other countries as demand remained strong amid the Covid-19 pandemic.

Low maintained MIDF Research's "buy" call on the stock with an unchanged target price of RM26.12.