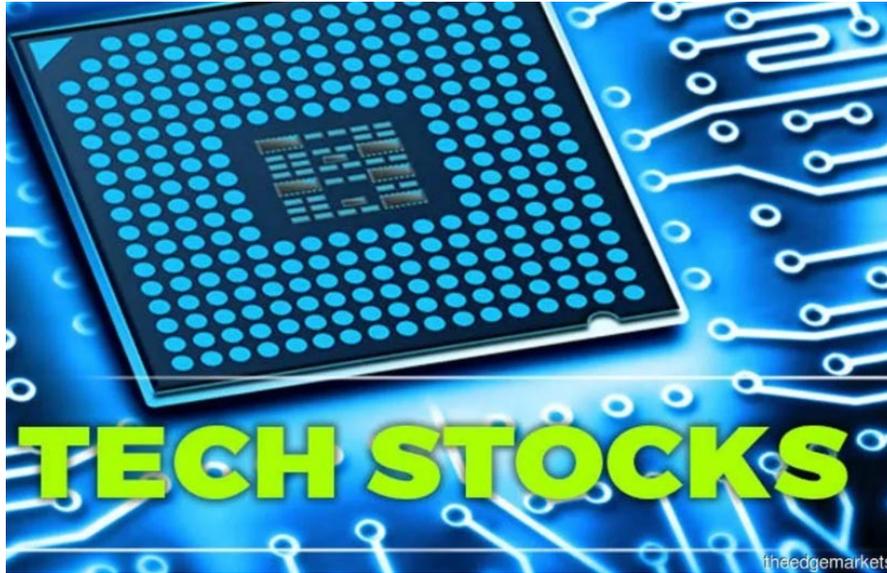


Tech stocks among Bursa top gainers as bright earnings prospects seen



KUALA LUMPUR (July 26): Technology players Genetec Technology Bhd, KESM Industries Bhd and Pentamaster Corp Bhd were among the top gainers on the local bourse today, amid expectations of bright earnings prospects ahead.

Genetec Technology topped the gainers list after its shares surged as much as 66 sen or 3.63% to RM18.82. At market close, it pared some gains to close at RM18.72, still up 56 sen or 3.08%, giving it a market capitalisation of RM948 million.

KESM, which rose 2.15% or 26 sen to settle at RM12.36 for a market capitalisation of RM532 million, was the sixth highest value gainer. It earlier hit a high of RM12.60 after rising as much as 4.13% or 50 sen. Pentamaster, meanwhile, climbed two sen or 0.37% to close at RM5.45, for a market value of RM3.88 billion.

Malaysian Pacific Industries Bhd (MPI) also jumped earlier today as the stock rose as much as 68 sen or 1.6% to RM43.18, putting it on the top gainers list. But investors decided to cash out at the last trading hour, which sent its shares down 50 sen or 1.18% to RM42. It ended the day on the top losers list. At RM42, MPI has a market capitalisation of RM8.82 billion.

ViTrox Corp Bhd similarly vacillated between gains and losses before closing 10 sen or 0.51% lower at RM19.32 for a market capitalisation of RM9.12 billion. The stock touched a record high of RM19.42 last Friday (July 23).

"Technology stocks rallied as investors anticipate strong quarterly results, especially from MPI and KESM, after its semiconductor peer ViTrox posted strong results in its latest second financial quarter last week," said Malacca Securities head of research Loui Low when contacted.

ViTrox's net profit for the second quarter ended June 30, 2021 more than doubled to a record RM50.64 million, from RM22.92 million a year earlier, on the back of the semiconductor boom which saw heightened demand for its solutions. The commendable results came as ViTrox's quarterly revenue more than doubled to RM196.19 million, from RM96.55 million the year before.

On July 6, the Semiconductor Industry Association (SIA) announced that global semiconductor industry sales rose to US\$43.6 billion in May 2021, up 26.2% over May 2020's US\$34.6 billion and 4.1% more than April 2021's US\$41.9 billion. The SIA represents 98% of the US semiconductor industry by revenue and nearly two-thirds of non-US chip firms.

"Global demand for semiconductors remained high in May, as sales increased both year-to-year and month-to-month across all major regional markets," said John Neuffer, SIA president and chief executive officer.

"The industry shipped more units on a three-month moving basis in May than during any previous month in the market's history, indicating semiconductor production has ramped up significantly to address rising demand," he added.

