

Malaysia Pacific Industries, ViTrox hit record highs on expected chip demand boom

KUALA LUMPUR (July 30): Malaysia Pacific Industries Bhd (MPI) and ViTrox Corp Bhd surged to all-time highs today, as semiconductor chip demand is expected to pick up in the second half of the year due to new smartphone launches.

Shares of MPI, which is principally involved in semiconductor manufacturing, rose as much as 7.87% to RM13.70 before the midday break.

The counter pared some of its gains to settle at RM13.40 by 2pm, which is 70 sen or 5.51% higher than yesterday's closing price.

At this price, MPI, the top gainer on Bursa Malaysia today, was valued at RM2.64 billion. Around 239,700 shares were transacted.

ViTrox reached an all-time high by the midday break, soaring 2.7% to RM12.16, giving the company a market capitalisation of RM5.59 billion with around 372,800 shares traded.

Shares of ViTrox, which provides machine vision solutions for semiconductor integrated circuit inspection, sustained their gains when the market reopened, making the stock the local bourse's sixth top gainer.

Bursa Malaysia's Technology Index has also surged 1.07 points or 2.11% to 51.84 points, reflecting increased investor appetite for tech counters.

The stellar performance of semiconductor-linked counters comes as Samsung Electronics Co Ltd, the world's largest maker of memory chips and smartphones, said it expects chip demand to rise in the second half of the year owing to new smartphone launches, according to a report by Reuters.

However, Samsung cautioned that the coronavirus pandemic and trade disputes pose risks to the chip industry.

Reuters also reported that South Korea's SK Hynix and US firm Micron Technology Inc see possible increased demand for DRAM chips, which provide devices with temporary workspaces and allow them to multi-task, due to the increased prevalence of working and learning online from home.

<https://www.theedgemarkets.com/article/malaysia-pacific-industries-vitrox-hit-record-highs-expected-chip-demand-boom>