

## Highlight

## Plantation Index rises to near two-year high as selected plantation stocks among Bursa's top gainers

By Anis Hazim / [theedgemalaysia.com](https://theedgemalaysia.com)

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KUALA LUMPUR (Feb 19): Bursa Malaysia's Plantation Index on Monday rose to a 20-month high after several plantation stocks dominated Bursa Malaysia's top gainers list, ahead of the fourth quarter of 2023 (4Q2023) earnings release that will pick up speed this week.

The Plantation Index closed up 44.51 points or 0.61%, reaching its nearly two-year high of 7,298.74 points.

United Plantations Bhd was the biggest gainer, up 52 sen or 2.6% to settle at its all-time high of RM20.52, translating into a market capitalisation of RM8.54 billion. The counter began to breach above the RM20 threshold last Thursday (Feb 15).

TH Plantations Bhd was the sixth biggest gainer. It rose as much as 14.5 sen before closing up 12 sen or 17.02% at its one-year high of 82.5 sen, with a market capitalisation of RM724.04 million.

Before the noon break, TH Plantations was the only plantation stock in the Bursa's top gainer list. The counter was among top actives, with 27.65 million shares traded — 18 times its two-month average volume of 1.52 million shares.

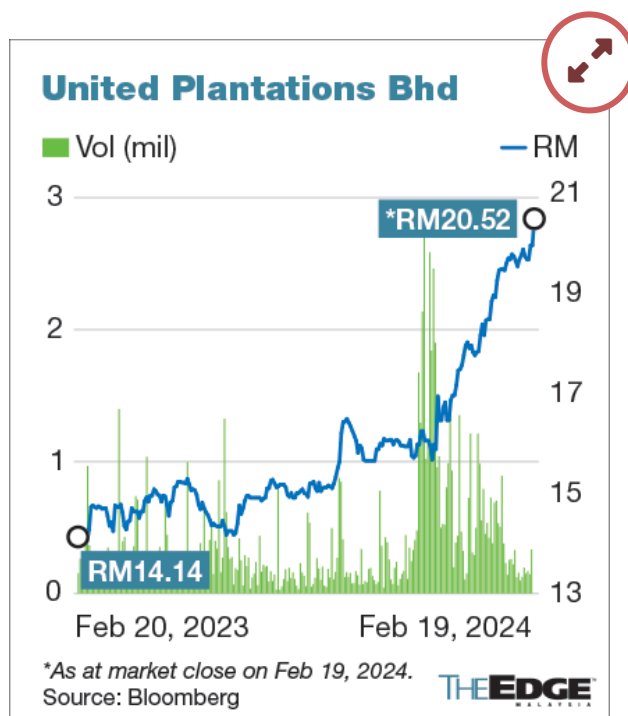
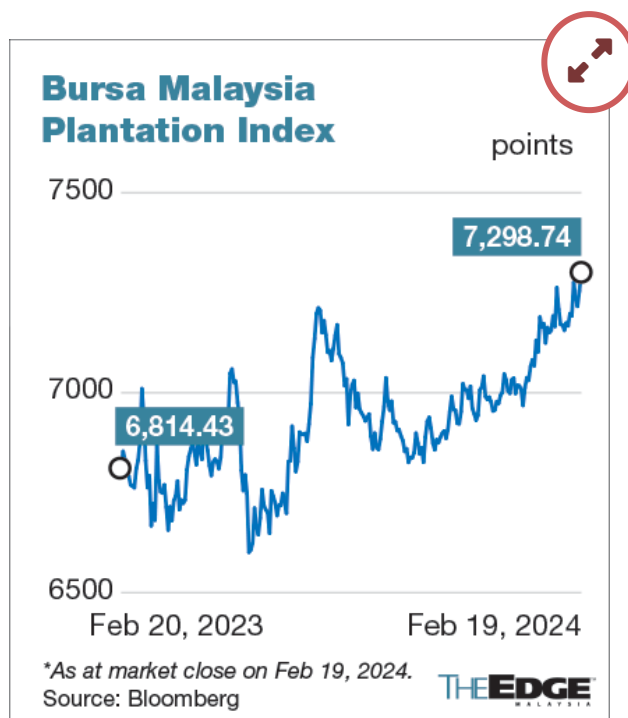
Following close was Jaya Tiasa Holdings Bhd, with an 11 sen or 8.94% increase to its eight-year high of RM1.34, valuing the counter at a market capitalisation of RM1.3 billion.

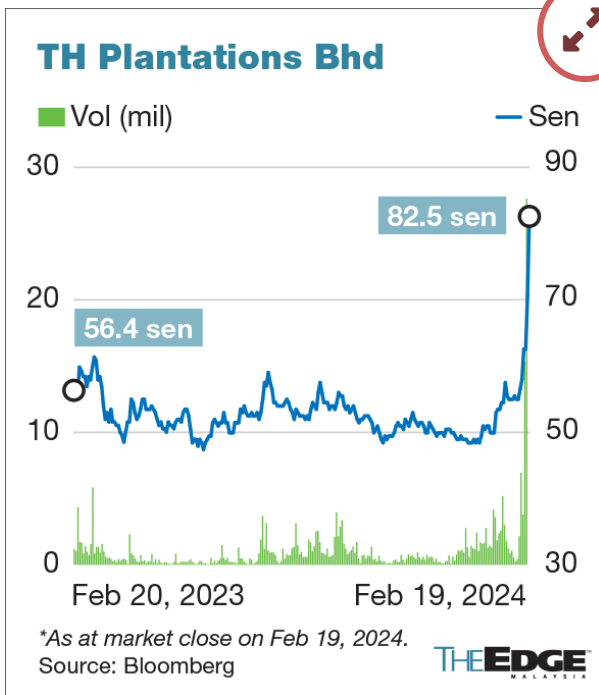
Also making it to the top 20 gainers list were MHC Plantations Bhd and Cepatwawasan Group Bhd.

MHC Plantations was up 7.5 sen or 7.94% to settle at a one-year high of RM1.02, valuing the company at RM199.42 million.

Cepatwawasan was up six sen or 8.16% to finish at its nearly two-year high of 79.5 sen, translating into a market capitalisation of RM251.45 million.

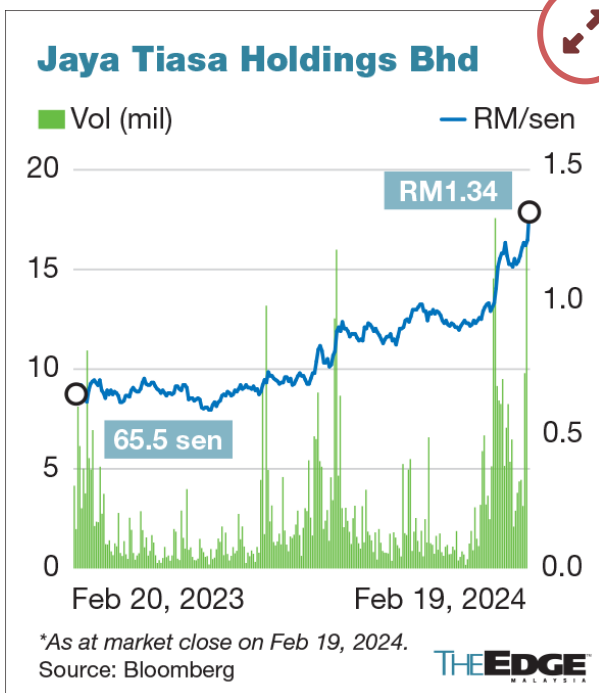
Other gainers were Sarawak Plantation Bhd, four sen or 1.84% up to settle at its nearly two-year high of RM2.21, with a market capitalisation of RM618.8 million; as well as TSH Resources Bhd, which also closed at its nearly two-year high of RM1.13, up four sen or 3.67%, valuing the company at RM1.56 billion.





Last Friday, Hong Leong Investment Bank (HLIB), which kept its 'neutral' rating on the plantation sector, said it expected the sector to register flattish weaker quarter-on-quarter upstream earnings due to flattish fresh fruit bunches (FFB) production growth and lower crude palm oil (CPO) prices.

It said that the earnings performance at the downstream segment would likely remain subdued in the fourth quarter of 2023 driven by weak near-term demand prospects due to the weak global economic environment.



Among HLIB's top picks were Hap Seng Plantations Bhd, with a 'buy' call and target price (TP) of RM2.06, and IOI Corp Bhd ('buy'; TP: RM4.66).

Forecasts for CPO prices for 2024 vary from RM3,500 to RM4,000, amid mixed views over global demand and supply situation on the back of erratic weather situations. The median forecast stood at RM3,545 per tonne, Bloomberg data showed. CPO futures for May expiry closed up 1.47% to

RM3,865 on Monday.

Edited By Adam Aziz