

## **Stocks to watch: Berjaya Corp, SapuraCrest, Hai-O, Kimlun, Kencana**

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KUALA LUMPUR: Stocks on Bursa Malaysia may see extended gains on Thursday, Sept 30 on some window-dressing activities as the third quarter draws to an end.

The broader market was firmer on Wednesday, despite profit taking activities. Gains were seen in companies including Malaysian Resources Corp Bhd which rallied to a near 30-month high.

On Wall Street, stocks took a breather from a month-long rally on Wednesday, Sept 29 with investors bracing for higher volatility going forward as the best quarter in a year nears its end.

The S&P 500 is up 9.1 percent in September, traditionally a weak month for stocks, as investors anticipate the Federal Reserve will take extra steps to spur economic activity.

The Dow Jones industrial average shed 22.86 points, or 0.21 percent, to 10,835.28. The Standard & Poor's 500 Index dipped 2.97 points, or 0.26 percent, to 1,144.73. The Nasdaq Composite Index fell 3.03 points, or 0.13 percent, to 2,376.56.

Stocks to watch include Berjaya Corp Bhd, SapuraCrest Petroleum Bhd, Hai-O Enterprise Bhd, Kimlun Corporation Bhd and Malayan Banking Bhd. Also in focus will be Kencana Petroleum Bhd and Golden Plus Holdings Bhd.

BCorp posted net profit of RM125.46 million in the first quarter ended July 31, 2010, up 214% from RM39.9 million a year ago. The better performance was also due to lower investment related expenses of RM17.62 million compared with RM83 million a year ago.

BCorp's revenue rose 8% to RM1.74 billion versus RM1.61 billion a year ago. Pre-tax profit was RM237.78 million, up 30% from RM182.81 million. Earnings per share were 2.88 sen versus 1.01 sen.

SapuraCrest posted net profit of RM53.24 million in the second quarter ended July 31, 2010, which a marginal 1.68% increase from the RM52.36 million a year ago, due higher contribution from the installation of pipelines and facilities (IFP) and the drilling division.

Hai-O's net profit fell 57% to RM7.84 million in the first quarter ended July 31, 2010 from RM18.52 million a year ago as the multi-level marketing (MLM) division recorded lower revenue.

Pre-tax profit was RM10.79 million, down 59% from RM26.28 million a year ago while revenue fell 63% to RM54.75 million from RM148.57 million. Earnings per share were 3.91 sen versus 22.17 sen.

Kimlun secured a RM70 million project from Malaysian Resources Corporation Bhd to build the Marlborough College East in Pulai, Iskandar Malaysia, Johor.

The scope of works comprises of building construction works for the college. The works are expected to be completed by January 2012. Kimlun expects it to contribute positively to the earnings and net assets of the group for the financial years ending 2010 to 2012.

Maybank expects 40% of its profit to come from international business by 2015 from 21% currently, president and chief executive officer Datuk Seri Abdul Wahid Omar said.

Bulk of the profit will come from operations in Singapore and Indonesia, which contributed RM818 million and RM238 million in profit respectively in the last financial year.

The focus will be on key sectors such as car loans in Singapore and shipping in Indonesia.

Abdul Wahid said Maybank will expand its branch network in Indonesia to 450 from 290 in order to capture growth and better serve customers.

Kencana posted net profit of RM41.5 million for the fourth quarter ended July 31, up 37% from RM30.3 million a year ago mainly due to lower expenses and better management of costs especially from the offshore services segment,

GPlus holds its AGM on Thursday and shareholders are expected to raise questions about the latest developments following Bursa Malaysia's latest action.

Bursa Malaysia had sought court action to force GPlus to comply with the directives and consent order on the appointment of a special auditor.

The directives and consent order are with regards to the appointment of a special auditor (SA) to review the affairs of GPlus and its subsidiary companies.

The UTL link is as below:

<http://www.theedgemaalaysia.com/business-news/174458-stocks-to-watch-berjaya-corp-sapuracrest-hai-o-kimlun-kencana.html>