

Market Buzz: Rakuten Trade Starts Malaysia's TRC Synergy At Buy, MYR0.98 TP

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Kuala Lumpur (Jan 29) – Rakuten Trade starts coverage on TRC Synergy with Buy call and MYR 0.98 target price. Notes, TRC is one of few construction firms with Class A license from Sarawak state's Financial Secretary, which allows it to bid for state-backed projects. Adds, TRC's current orderbook of MYR2.5 billion provides earnings visibility for next 2-3 years, while joint venture with Handan China Railway Bridge Machinery will enhance its ability to secure more infrastructure jobs. Experts TRC to post MYR45million net profit in FY18, up from MYR 33 million in FY17, translating to "decent" dividend yield of 3%. Shares currently unchanged at MYR0.775.