

RHB Research Maintains 'Overweight' Call On Construction Sector
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KUALA LUMPUR, March 18 (Bernama) -- RHB Research has maintained its "overweight" call on the construction sector on strong prospects, largely backed by the RM73 billion Klang Valley Mass Rapid Transit (MRT) project, said RHB Research.

In a note, the research firm said the mammoth project would keep the industry players busy until 2021, with the RM23 billion Line 1 currently under construction, and Lines 2 and 3 worth RM25 billion each under planning.

RHB Research said its channel checks substantiated a news report by a local daily which stated that Line 2 of the Klang Valley MRT project has been approved by the government.

"Our source told us that the Cabinet has indeed approved Line 2 and the appointment of the MMC-Gamuda joint venture as the project delivery partner," it added.

However, neither the government or Mass Rapid Transit Corporation Sdn Bhd, have yet to issue any official statements on the Line 2 project.

While Cabinet approval for the Line 2 was earlier expected to come by the first quarter of 2014, RHB Research said the market will still react positively should it finally happen.

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