

OSK keeps 'buy' call on Century Logistics

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OSK Research has maintained a "buy" call on Century Logistics Holdings Bhd with an upgraded target price to RM2.43 from RM2.24, as it expects the company to continue securing more major long-term contracts in future. In a note today, OSK said Century Logistics had indicated that its oil logistics division is still growing steadily, with clients' demand for its bunkering services remaining stable despite the current hike in oil price.

It said Century Logistics had evolved into a specialist contract logistics provider following the recent logistics contract inked with F&N to manage its entire logistics chain from inbound dairy raw materials to outbound finished dairy products.

"We believe that it will generate between RM20 million to RM30 million of revenue per annum. "We expect the numbers to remain strong going forward, given the constant growth in its oil logistics," it said. -- Bernama