

'RM800m MRT contracts out soon'

KUALA LUMPUR: After dishing out RM20 billion jobs to date, MRT Corp is expected to award up to RM800 million new contracts soon for the mass rapid transit (MRT) project.

MRT Corp last week handed out five projects for the Klang Valley MRT Sungai Buloh-Kajang (SBK) line totalling RM3.5 billion.

This brings MRT Corp's total number to 45 packages worth RM20 billion, OSK Research Sdn Bhd said.

"Attention is now likely to shift to

the remaining three elevated station packages, which we believe would cost RM700 million to RM800 million in total, due to be awarded over the next two weeks," the firm said in a report yesterday.

OSK Research said it was encouraged by the timeliness of the job awards. Hence, it continues to believe that the progress of work on the elevated portion of the SBK line remains largely on schedule for completion by end-2016 while the underground segment would be ready

by mid-2017.

"With the country's general elections widely rumoured to be called as early as November this year, we continue to see the possibility of the flow of contracts picking up post-election," it noted.

The key infrastructure projects OSK Research sees hogging the headlines post-election are the RM7 billion West Coast Expressway, RM6 billion Gemas-Johor Bahru electrified double track, the RM2 billion Kuala Lumpur Outer

Ring Road, and the remaining two KV MRT lines, which it estimated at RM30 billion to RM40 billion.

The firm also expects jobs potentially flowing from development zones such as RAPID in Pengerang, as well as foundation works on the Tun Razak Exchange.

OSK Research also maintained its "overweight" call on the construction sector, with Gamuda Bhd, WCT Bhd and KimLun Corp Bhd being its top buys.