

PavREIT TP Revised Upward Over Its Long Term Growth Potential

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Research houses have reacted positively towards Pavilion REIT's commendable earnings for the third quarter of the financial year 2024 (3QFY24), recording a core net income of RM78.9 million, reflecting a 17.6% increase quarter-on-quarter and an 11.8% rise year-on-year.

MIDF Amanah Investment Bank Bhd and RHB Investment Bank Bhd **maintained BUY** calls with a new target price (TP) of between RM1.69 and RM1.78, reflecting a 13% potential upside.

The revised TPs highlight Pavilion REIT's robust asset quality and stable earnings outlook, positioning it to benefit from Malaysia's recovering tourism sector and improving market conditions.

Looking ahead, Pavilion REIT is expected to maintain solid earnings, supported by its prime assets and high-end consumer base. With a dividend yield of around 5.2% in FY24, analysts remain optimistic about its long-term growth despite risks like fluctuating bond yields and consumer spending uncertainty.

