



DAILY NEWSWATCH

MARKET REVIEW

The FBM KLCI ended the day with a slight decrease due to profit-taking, in contrast to the positive performance observed in Asian markets. Market breadth was negative with 498 gainers and 526 losers. The industrial products & services sector was the top gainer increasing by +0.71%, while the construction sector was the top loser declining by -1.14%. VITROX (0097) was the top gainer surging by RM0.22 or +2.90%. The FBMKLCI declined by -0.05% to 1,462.72.

ECONOMICS

- **Wind and solar plants** worth \$1.5 billion acquired by US investor group in a deal to capitalize a new tax structure
- **Low heating oil** stockpiles in the United States

COMPANY

- **Ideal Capital Berhad (9687)** signed SPAs for the first phase of the Penang Technology Park (PTP)
- **SP Setia Berhad (8664)** acquired a prime land site in Sydney, committed to deliver high-quality developments.
- **Power Root Berhad (7237)** expected to spur higher export sales and a new premium tea brand
- **IGB Group Berhad (5606)** rebranded The Boulevard Mid Valley City and reopened as St Giles Boulevard

EXPRESSO FOR THE DAY

- **Technical Watch – Silver Ridge (0129)** – Entry Price RM0.68, Target Price RM0.74, Stop Loss RM0.58, Support RM0.64, Resistance RM1.05
- **Technical Watch – Tashin (0211)** – Entry Price RM0.41, Target Price RM0.45, Stop Loss RM0.35, Support RM0.38, Resistance RM0.44

Local	Close	(%)
FBMKLCI	1,462.72	(0.05)
Volume (mil)	4,005.78	(14.0)
Value (RM'mil)	2,373.16	(23.0)
Gainers	498	
Losers	526	
Unchanged	405	

Foreign		(%)
Dow Jones	34,837.7	N/A
Nasdaq CI	14,031.8	N/A
S&P 500	4,515.8	N/A
FTSE 100	7,452.8	(0.2)
Nikkei 225	32,864.6	0.7
Shanghai CI	3,158.1	1.4
HSI	18,588.3	N/A
STI	3,219.8	N/A

Most Active	RM	Chg
VELESTO	0.250	0.015
RGB	0.280	0.000
YTL	1.500	(0.080)
WIDAD	0.455	0.000
TOPGLOV	0.735	(0.005)

Top Gainer	RM	Chg
VITROX	7.800	0.220
PMBTECH	3.780	0.150
TIMECOM	5.490	0.130
TTVHB	1.300	0.120
UWC	3.540	0.090

Top Loser	RM	Chg
RAPID	23.640	(0.160)
TAANN	3.480	(0.100)
UCHITEC	3.510	(0.080)
YTL	1.500	(0.080)
PPB	15.700	(0.060)

Other Stats		(%)
USD/MYR	4.66	0.19
USD/RMB	7.29	0.11
WTI (USD/barrel)	88.67	0.51
Gold (USD/troy oz)	1,936.39	0.14
CPO (RM/metric t)	3,888.5	2.40

Research Team

research@mersec.com.my

**DAILY NEWSWATCH****ECONOMICS**

Wind and solar plants worth \$1.5 billion were acquired by Invenergy Renewables, Blackstone and Canada's second-largest pension fund on Wednesday, to help Bank of America capitalise a new tax structure for funding the clean energy projects. As part of this agreement, Invenergy will sell tax credits amounting to \$580 million to Bank of America, and the proceeds will be used to finance the acquisition of 14 projects from American Electric Power (AEP). The International Energy Agency (IEA) has highlighted that in order to enable economies worldwide to achieve net-zero greenhouse gas emissions, approximately \$4 trillion annually will need to be invested in clean energy development by the year 2030. (Reuters)

Americans may experience higher heating bills this winter due to **low stockpiles of distillate fuels** like diesel and heating oil. This shortage is a result of Organization Petroleum Exporting Countries (OPEC+) crude supply cuts and increased demand from Europe. Distillate fuel inventories, including heating oil and diesel, were approximately 15% below the five-year average by late August. With stocks representing just 31 days of supply, any unforeseen disruptions could result in significant price increases. Refiners' struggles to build reserves, primarily due to tight supplies of distillate-rich crude oil grades, have exacerbated the situation, making it imperative for consumers to prepare for potentially expensive heating costs in the upcoming winter. (Reuters)

COMPANY

Ideal Capital Berhad (9687) signed sales and purchase agreements (SPAs) with 23 local and foreign companies to occupy 35% of the first phase of the Penang Technology Park (PTP) project in Bertam. The sales will generate about RM500 million or 12% of PTP's gross development value (GDV) based on the current market price of RM 65 and RM 90 per square feet for industrial properties in North Seberang Prai. Ideal Capital will explore more vacant land in Seberang Prai to launch more industrial park projects. The Group Executive Chairman said that the Group's plans would focus on developing industrial parks with industry 4.0 practices and intelligent factories to help companies optimise operational workflows, reduce costs and mitigate lockdown risks. He also said that the PTP has a GDV of RM 4.2 billion that will be realised over the next four years. (The Star)

SP Setia Berhad (8664) has acquired a prime land site in Sydney, New South Wales, at a cost of A\$73.3 million (RM220 million). The company have plans to develop a residential development with commercial and retail uses, estimated at a gross development value (GDV) of A\$ 236mil (RM708mil). The company had a portfolio of 44 ongoing projects, supported by a land bank of 6,870 acres valued at a GDV of RM125.77bil, as of June 30. (The Star)

Power Root Berhad (7237) is expected to report a strong quarterly performance on higher export sales which could improve operating efficiency as well as a new product launches. The Group's earnings are also expected to be driven by improved sales to Saudi Arabia beginning from second quarter of financial year 2024. Power Root's net profit was at RM15.29mil in 1Q24 compared to RM15.26mil in the previous year. The Group aims to launch a new premium tea brand in Malaysia beginning 3Q24 to widen its product portfolio. (The Star)

IGB Group Berhad (5606) has rebranded the Boulevard Mid Valley City last Thursday (Aug 31), to St Giles Boulevard. The hotel was closed in 2021 due to the Covid-19 pandemic and had undertaken a RM18mil refurbishment programme to upgrade its guestrooms and public facilities to meet global efficiency standards. The reopening of the hotel is also accompanied by sustainability initiatives, greenery enhancement on the hotel's aesthetics and promotes energy efficiency and paperless initiatives. (The Edge)



Silver Ridge Holdings Berhad

Technical Watch - "BUY on Potential Continuation"

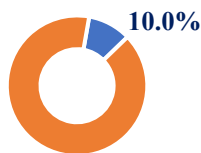
Bloomberg: SRHB MK | KLSE Stock Code: 0129

Investment Highlights

On an uptrend the stock is currently trading above the MA20. We think there is a potential continuation supported by a marubozu with a strong momentum on the stock (RSI > 70).

Contracting Bollinger Bands suggest lower volatility and lower potential upside moving forward. Trading within the 2SD, we project a 10% upside to the current price and expect EMA and SMA to cross moving forward.

Potential Upside



Bloomberg Analyst Ratings

Buy: 0
Hold: 0
Sell: 0

Fundamentals

	2Y Avg (x)	5Y Avg (x)	10Y Avg (x)
P/E	N/A	30.2	44.6
P/B	4.3	5.5	4.2
P/CF	N/A	35.7	20.3
P/S	3.5	4.4	3.4

*CF – Cashflow per share, S – Sales per share

Ace Market
Telecommunications
Subsector – Telcom. Eq.
Current Price: RM0.68
Target Price: RM0.74

Company Overview

Silver Ridge Holdings Bhd. provides investment holding, managements services, and general trading. The Company, through its subsidiary provides telecommunication system architecture and design, network solutions, as well as telecommunication related software solutions.



Entry Price	RM0.68
Market Cap (m)	RM140.2
52w high	RM0.68
52w low	RM0.08
Stop Loss	RM0.58
Immediate Support	RM0.64
Immediate Resistance	RM1.05 (Previous high)
Moving Average (EMA)	Bullish
Moving Average (SMA)	Bullish
Bollinger Bands (Long Run)	Less volatile over the long run
RSI	Strong Momentum
Volume (4-Weeks Average)	414,044.4



Tashin Holdings Berhad

Technical Watch - "BUY on Potential Continuation"

Bloomberg: TASHIN MK| KLSE Stock Code: 0211

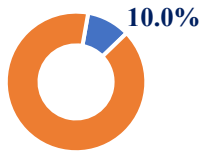
Ace Market
Industrial Products & Services
Subsector – Metals
Current Price: RM0.41
Target Price: RM0.45

Investment Highlights

On an uptrend, the stock is currently trading above the MA20. We think there is a potential continuation supported by a marubozu with a strong momentum on the stock (RSI > 50).

Expanding Bollinger Bands suggest higher volatility and higher potential upside moving forward. Trading within the 2SD, we project a 10% upside to the current price and expect EMA and SMA to hold moving forward.

Potential Upside



Bloomberg Analyst Ratings

Buy: 0
Hold: 0
Sell: 0

Fundamentals

	2Y Avg (x)	5Y Avg (x)	10Y Avg (x)
P/E	9.0	20.8	20.8
P/BV	0.6	0.5	0.5
P/CF	132.3	108.8	108.8
P/S	0.4	0.4	0.4

*CF – Cashflow per share, S – Sales per share

Company Overview

Tashin Holdings Berhad provides steel products. The Company offers coils, pipes, bars, and plates, as well as manufacturing, engineering, and fabrication services. Tashin Holdings serves customers in Malaysia.



Entry Price	RM0.41
Market Cap (m)	RM141.3
52w high	RM0.45
52w low	RM0.36
Stop Loss	RM0.35
Immediate Support	RM0.38
Immediate Resistance	RM0.44 (Previous high)
Moving Average (EMA)	Bullish
Moving Average (SMA)	Bearish
Bollinger Bands (Long Run)	More volatile over the long run
RSI	Strong Momentum
Volume (4-Weeks Average)	97,785.7



TECHNICAL ANALYSIS SCOREBOARD

Date	Stock	Code	Entry (RM)	Prev Close (RM)	Stop Loss (RM)	TP (RM)	Day Change (%)	Gain/Loss from TP (%)	Remark
8/8/2023	WCE	3565	0.700	0.660	0.600	0.770	-2.222	-5.7	-
8/8/2023	Thriven	7889	0.150	0.110	0.120	0.160	4.762	-26.7	SL Triggered
9/8/2023	Sime Darby	4197	2.220	2.270	1.900	2.440	-1.304	2.3	-
9/8/2023	KLK	2445	23.360	21.380	19.970	25.696	-0.280	-8.5	-
10/8/2023	Takaful	6139	3.460	3.780	2.960	3.810	0.532	9.2	-
10/8/2023	PLS	9695	1.000	0.920	0.860	1.100	0.000	-8.0	SL Triggered
11/8/2023	UCrest	0005	0.210	0.185	0.180	0.230	2.778	-11.9	SL Triggered
11/8/2023	YNH Property	3158	5.080	5.090	4.340	5.590	0.197	0.2	-
14/8/2023	Umedic	0256	0.770	0.795	0.660	0.850	0.000	3.2	-
14/8/2023	SHH	7412	1.250	1.040	1.070	1.380	N/A	-16.8	SL Triggered
15/8/2023	Eco World	8206	1.070	1.050	0.910	1.180	1.942	-1.9	-
15/8/2023	Dayang	7412	1.500	1.780	1.280	1.650	-3.784	18.7	TP Achieved
16/8/2023	Scientex	4731	3.780	3.800	3.230	4.160	0.000	0.5	-
16/8/2023	YTL Power	6742	1.660	2.080	1.420	1.830	-2.347	25.3	TP Achieved
17/8/2023	Malayan Cement	3794	3.450	3.800	2.950	3.795	1.064	10.1	TP Achieved
17/8/2023	Central Global	8052	2.050	2.300	1.750	2.255	-2.954	12.2	TP Achieved
18/8/2023	UEM Sunrise	5148	0.630	0.740	0.540	0.693	0.000	17.5	TP Achieved
18/8/2023	PWF	7134	0.810	0.880	0.690	0.891	1.149	8.6	TP Achieved
21/8/2023	PowerRoot	7237	2.190	2.130	1.870	2.41	0.000	-2.7	-
21/8/2023	UMW	4588	4.610	4.790	3.940	5.070	-1.033	3.9	-
22/8/2023	Tuju Setia	5297	0.245	0.225	0.270	0.270	-2.174	-8.2	-
22/8/2023	Astino	7162	0.570	0.585	0.627	0.630	0.862	2.6	-
23/8/2023	Wellspire	0271	0.830	0.700	0.710	0.910	-2.778	-15.7	SL Triggered
23/8/2023	Frontken	0128	3.430	3.400	2.930	3.770	-1.449	-0.9	-
24/8/2023	Yinson	7293	2.600	2.500	2.220	2.860	-0.398	-3.8	-
24/8/2023	MSM	5202	1.150	1.370	0.980	1.270	-1.439	19.1	TP Achieved
25/8/2023	Aurelius	5302	2.740	2.650	2.340	3.010	0.760	-3.3	-
25/8/2023	CGB	8052	2.300	2.300	1.970	2.530	-2.954	0.0	-
28/8/2023	UMS	7137	1.900	1.870	1.620	2.090	N/A	-1.6	-
28/8/2023	Hong Leong	5819	19.760	19.900	16.890	21.740	-0.500	0.7	-
29/8/2023	E&O	3417	0.600	0.600	0.510	0.660	-4.762	0.0	-
29/8/2023	IOIProp	5247	1.570	1.690	1.340	1.730	3.049	7.6	-
30/8/2023	HapSeng	3034	4.090	4.110	3.500	4.490	2.750	0.5	-
30/8/2023	United U-Li	7133	1.250	1.380	1.070	1.380	2.985	10.4	TP Achieved
1/9/2023	ATA IMS	8176	0.320	0.305	0.270	0.350	-4.688	-4.7	-
1/9/2023	ILB	5614	0.660	0.700	0.560	0.730	0.000	6.1	-
4/9/2023	MNRB	6459	1.130	1.120	0.970	1.240	-0.885	-0.9	-
4/9/2023	CIMB	1023	5.740	5.710	4.910	6.310	-0.523	-0.5	-
5/9/2023	Silver Ridge	0129	0.680	0.675	0.580	0.743	4.651	-0.7	-
5/9/2023	Tashin	0211	0.410	0.405	0.350	0.4455	5.195	-1.2	-

*SL= Stop Loss

*TP=Target Price

**STOCK SELECTION BASED ON DIVIDEND YIELD**

Company	Sector	Price RM	Dividend / Share RM	Dividend Yield (%)
TIME DOTCOM BHD	TELCO	5.49	0.81	14.74
UOA DEVELOPMENT BERHAD	PROPERTY	1.77	0.20	11.30
YTL HOSPITALITY REIT	REITs	1.02	0.09	9.22
MBM RESOURCES BHD	CONSUMER	4.16	0.39	9.45
TALIWORKS CORPORATION BHD	UTILITIES	0.81	0.07	8.27
ASTRO MALAYSIA HOLDINGS BERHAD	TELCO	0.51	0.04	8.32
SPORTS TOTO BERHAD	CONSUMER	1.51	0.12	7.81
HEKTAR REITS	REITs	0.64	0.05	7.97
BESHOM HOLDINGS BERHAD	CONSUMER	1.03	0.08	7.77
UOA REITS	REITs	1.09	0.09	7.89
KIP REAL ESTATE INVESTMENT TRUST	REITs	0.89	0.07	7.75
BONIA CORPORATION BHD	CONSUMER	1.79	0.14	7.65
SCICOM (MSC) BHD	IND PROD	1.13	0.09	7.52
SENTRAL REIT	REITs	0.82	0.06	7.44
CAPITALAND MALAYSIA TRUST	REITs	0.55	0.04	7.09

Source: Bloomberg

User guide: Mercury Securities compile a list of **dividend stocks** for conservative long term passive investors looking for regular income while keeping the investment intact.

Methodology: The list below is made up of stocks that pay high dividend (Estimate dividend yield >4%) and paying dividend consistently (Paid dividend for the last 3 years)



SECTORIAL VALUATION

The chart below depicts the performance of the respective KLCI sectors over a five-year period including the current and forward P/E. The sector’s performance is ranked against each other based on absolute returns for that particular year. The user can track the historical performance of respective sectors and notice that the technology sector is the best performing sector over a five-year period between 2016 and 2020 with a compound annual growth rate. The user will also be able to identify sector value based on the current P/E and the corresponding 5-year high, low and average P/E.

Index	Return (%)	Valuation P/E (X)					
		YTD	5 - Years			Current	1 Yr – Fwd
			High	Low	Avg		
KLCI	(2.2)	24.1	17.0	18.8	14.7	13.2	
Finance	(0.1)	13.0	10.3	12.4	10.3	9.8	
Property	37.0	25.1	7.4	11.4	10.4	-	
Plantation	(1.9)	95.5	14.2	36.8	14.2	16.8	
Consumer	(4.6)	22.5	16.9	21.9	16.9	15.1	
Technology	0.5	48.6	22.5	27.5	29.5	22.7	
Construction	19.3	36.8	10.5	17.8	10.5	12.5	
Energy	10.9	10.5	-	-	10.5	9.4	
Health care	(5.6)	36.1	22.9	29.5	22.9	28.3	
Ind Prod	(4.4)	24.9	14.9	21.9	14.9	14.2	
REIT	0.4	0.0	-	-	-	-	
Telco	(1.1)	28.6	19.8	24.2	28.6	21.2	
Transportations	8.3	27.5	-	-	15.4	14.9	
Utilities	29.9	17.8	-	-	13.5	13.0	

Source: Bloomberg



Disclaimers

This report is prepared primarily for the use of Mercury Securities' clients in Malaysia and not for publication purposes, notwithstanding its public dissemination via external financial information providers such as Bloomberg LP. This report should not be reproduced, altered in any way, transmitted to, copied, or distributed to any other party in whole or in part in any form or manner without the prior express written consent of Mercury Securities. Mercury Securities, companies and individuals related to it accept no liability whatsoever for the actions of third parties in this respect.

This research report is prepared for general circulation and for information purposes, only and under no circumstances, should it be considered or intended as an offer to sell or a solicitation of an offer to buy the stocks or securities referred to in the report. Investors should note that the price, values or fundamentals of any securities may fluctuate over time. Past performance of any securities may not be an accurate guide to its future performance.

This report is not intended to provide personal investment advice and does not take into account the investment objectives, financial situation and risk appetite of persons who may receive or read this report. Investors are advised to trade at their own absolute discretion, and to seek financial, legal and other pertinent professional advice regarding the appropriateness of investing in any securities or the investment strategies discussed or recommended in this report.

Any information, views, opinions, recommendations, and advice in this report are given in good faith but without any legal responsibility or liability to Mercury Securities and connected parties. Information contained in this report has been obtained from public sources believed to be reliable, but such sources are not independently verified by Mercury Securities and consequently no representation is made as to the accuracy or completeness of this information, and it should not be relied upon as such. The views, recommendations and opinions in this research report are our own as of the date hereof and are subject to change without prior notice.

Mercury Securities expressly disclaims any obligation to update or revise any views, recommendations, forward looking statements, and forecasts in a timely manner to reflect new information, events, or circumstances after the date of this report publication or to reflect the occurrence of unanticipated events. Our views and recommendations are based on our own analysis of publicly available information. A subject company's fundamentals and prospects are subject to various risks and uncertainties that could cause its actual performance to differ from our opinion.

As such, Mercury Securities and its directors, officers, associates, connected parties and employees shall not be liable for any direct, indirect, or consequential losses or damages that may arise from the use of or reliance on this research report.

Disclosures

Mercury Securities Sdn Bhd Registration No. 198401000672 (113193-W) is a Participating Organisation of Bursa Malaysia Securities Berhad and a principal holding a Capital Markets Services Licence ("CMSL") issued by the Securities Commission ("SC") of Malaysia. Its research analysts hold a Capital Markets Services Representative's Licence ("CMSRL"). Principals holding a CMSL and representatives holding a CMSRL are regulated by SC in accordance with the Capital Markets and Services Act 2007 ("CMSA").

Mercury Securities, companies or individuals connected with it may have used research material before publication and may have positions in or may be materially interested in any stocks or securities in the markets mentioned. Some of the subject companies covered by Mercury Securities for research purposes may be a client of Mercury Securities in the past, current or may be a potential client in the future. Possible business dealings may include, but is not limited to share trading, market making, underwriting, corporate finance and corporate advisory services.

Published and printed by:

MERCURY SECURITIES SDN BHD

Registration No. 198401000672 (**113193-W**)

L-7-2, No 2, Jalan Solaris, Solaris Mont' Kiara, 50480 Kuala Lumpur

Telephone: (603) - 6203 7227 Website: www.mercurysecurities.com.my

Email: mercurykl@mersec.com.my
