



# Daily Newswatch

## Market Review

The FBM KLCI rose to 1,642.3 (+0.3%), ending the year on a positive note despite a mixed broader market, supported by strong buying in select heavyweights. Gains in AXIATA (+4.2%), PCHEM (+1.4%), and SIME (+1.3%) underpinned the benchmark's performance, reflecting targeted institutional interest. Sector-wise, Transportation (+0.7%) led the gains, followed by Property (+0.5%) and Consumer (+0.4%). The broader market exhibited caution, with 485 gainers trailing 515 decliners.

## Economics

- Malaysia:** BNM say's private sector credit growth sees slight uptick, driven by corporate bonds
- Malaysia:** Govt mulls rice imports from Pakistan to stabilise supply and prices
- China:** Xi says China's 2024 GDP growth set to hit target of around 5%
- China:** PBOC steps up liquidity injection with new tools at year-end
- South Korea:** Consumers inflation quickens in Dec amid faltering won
- Singapore:** Economic growth beats estimates as PM Wong flags global risks

## Companies

- KPJ Healthcare:** Vice-chancellor Lokman Saim appointed to newly created chief medical director role
- KLCCP:** Upsizes sukuk programme to RM2bn, issues RM600m sukuk
- LYC Healthcare:** To list subsidiaries on Nasdaq, expects to raise up to US\$15m
- Bintulu Port:** Secures one-year extension to operate main LNG port in Sarawak
- Hextar Retail:** Calls off deal to acquire 51% stake in apparel company Redina
- Cahaya Mata Sarawak:** Aborts joint development of hotel, serviced apartments in Kuching Isthmus

### Upcoming key economic data releases

### Date

US – Dec 2024 Manufacturing PMI	Jan 03
US – Dec 2024 Unemployment Rate	Jan 10
Malaysia – Nov 2024 Unemployment Rate	Jan 10
US – Jan 2025 PPI	Jan 14
US – Jan 2025 CPI	Jan 15
Malaysia – GDP Growth Rate	Jan 20
Malaysia – Dec 2024 Inflation Rate	Jan 22
Malaysia – Interest Rate Decision	Jan 22
Malaysia – Dec 2024 PPI	Jan 28
US – Jan 2025 FOMC	Jan 30
US – Jan 2025 PCE	Jan 31

Key Indices	Last Close	Daily chg %	YTD chg %
FBM KLCI	1,642.3	0.3	0.0
Dow Jones	42,544.2	(0.1)	0.0
Nasdaq CI	19,310.8	(0.9)	0.0
S&P 500	5,881.6	(0.4)	0.0
FTSE 100	8,173.0	0.6	0.0
Nikkei 225	39,894.5	(1.0)	0.0
Shanghai CI	3,351.8	(1.6)	0.0
HSI	20,060.0	0.1	0.0
STI	3,787.6	0.0	0.0

Market Activities	Last Close	% Chg
Vol traded (m shares)	2,409.2	(5.6)
Value traded (RM m)	2,063.4	(1.1)
Gainers	485	
Losers	515	
Unchanged	550	

Top 5 Volume	Last Close	Daily chg %	Vol (m)
ZENTECH	0.010	100.0	53.2
MUIPROP	0.370	(14.9)	52.1
TWL	0.025	0.0	47.5
HM	0.165	17.9	39.6
VELOCITY	0.050	25.0	37.9

Top 5 Turnover	Last Close	Daily chg %	Val (RM m)
TENAGA	14.940	0.7	114.6
GAMUDA	4.740	(0.8)	96.6
CIMB	8.200	0.6	69.8
MAYBANK	10.240	0.0	68.7
YTLPOWR	4.420	1.1	60.5

Currencies	Last Close	% Chg
USD/MYR	4.472	(0.0)
USD/JPY	157.2	0.0
EUR/USD	1.0354	(0.5)
USD/CNY	7.2993	0.0
US Dollar Index	108.49	0.3

Commodities	Last Close	% Chg
Brent (USD/barrel)	74.6	0.9
Gold (USD/troy oz)	2,625	0.7
CPO (MYR/metric t)	4,861	(1.3)
Bitcoin (USD/BTC)	93,566	(0.2)

## Economics

### Malaysia: BNM say's private sector credit growth sees slight uptick, driven by corporate bonds

Credit to the private non-financial sector accelerated slightly in November 2024, compared to October, primarily due to increased debt note issuance, according to Bank Negara Malaysia (BNM). This credit — comprising loans to households and non-financial corporations from the banking system, and development financial institutions or DFIs, and corporate bonds issued by non-financial corporations — grew by 5.2% in November, up from 5.1% in October. The growth is driven by higher growth in corporate bonds of 3.8%, as compared to 2.6% in October, the central bank said in its monthly highlights report for November released on Tuesday. (*The Edge*)

### Malaysia: Govt mulls rice imports from Pakistan to stabilise supply and prices

The government is considering importing white rice from Pakistan to address ongoing issues with supply and pricing. National Action Council on Cost of Living (Naccol) Task Force (Food Cluster) chairman Datuk Syed Abu Hussin Hafiz Syed Abdul Fasal said the proposal, submitted to Padiberas Nasional Bhd (Bernas), has the consent of Prime Minister Datuk Seri Anwar Ibrahim, but has yet to be finalised. “I accompanied the prime minister to Pakistan, where 28 exporters expressed readiness to supply 100,000 tonnes of rice to us,” he said via a live video call at Dewan Taman Mewah Phase 1 here on Wednesday. During his visit to Pakistan on Oct 3, Anwar indicated the government’s willingness to procure the rice, but stressed the need for further evaluation, particularly on pricing mechanisms. (*The Edge*)

### China: Xi says China's 2024 GDP growth set to hit target of around 5%

China’s gross domestic product is expected to expand around 5% for the full year of 2024, President Xi Jinping said, signalling the world’s second-largest economy is on track to meet its official target. China’s economy was “overall stable and progressing amid stability”, Xi said at a new year event on Tuesday, according to a speech published by the official Xinhua News Agency. Risks in key areas were effectively addressed, while employment and prices remained steady, he said. While a precise figure won’t be available until next month, the Chinese leader’s disclosure capped off a year of economic uncertainty, with the growth goal initially seen as a “target without a plan”. The outlook for 2024 improved after policymakers rolled out a slew of stimulus steps since late September, with economists now forecasting an expansion of 4.8% this year. Xi signalled that support for the economy will continue into 2025 during the New Year’s Eve remarks to the nation’s top political advisory body, reiterating a call to adopt more proactive macroeconomic policies. (*Bloomberg*)

### China: PBOC steps up liquidity injection with new tools at year-end

China’s central bank injected 1.7tn yuan (US\$233bn or RM1tn) of cash in December, dialling up liquidity support for the economy and financial markets at year-end. The People’s Bank of China conducted 1.4tn yuan in outright reverse repurchase agreements using three- and six-month contracts, aiming to maintain sufficient liquidity in the banking system, it said in a statement Tuesday. This follows injections of 800bn yuan and 500bn yuan in the past two months through the new tool introduced in October. The central bank also bought a net 300bn yuan of treasury bonds this month, according to a separate statement. This move will add an equivalent amount of cash into the financial markets.

The PBOC has absorbed sovereign notes for five straight months on a net basis, after starting regular bond transactions with primary dealers in August. The cash injections underscore the PBOC’s accommodative stance after the country’s top leaders pledged more support with “moderately loose” policy for the economy facing threat of escalating trade tensions. A more robust liquidity buffer will help banks manage the typical year-end rise in demand for cash, particularly ahead of upcoming regulatory checks. (*Bloomberg*)

**South Korea: Consumers inflation quickens in Dec amid faltering won**

South Korea's consumer inflation quickened in December, exceeding market expectations amid a weak local currency though it was still lower than the central bank's target. The consumer price index rose 1.9% in December from a year earlier, after a rise of 1.5% in November, Statistics Korea data showed on Tuesday. It was the fastest year-on-year rise in four months and topped a median 1.7% increase forecast in a Reuters survey of economists, but weaker than the central bank's medium-term target of 2%. In December, the won weakened 5.2% against the dollar, the biggest monthly drop in 22 months, as heightened domestic political uncertainty added to the drag. Following the release of the data, the Bank of Korea said there was a possibility of inflation quickening more next month driven by recent weakness in the local currency. Still, it is expected to stay below 2% from February due to weak demand-side pressure, it added. *(Reuters)*

**Singapore: Economic growth beats estimates as PM Wong flags global risks**

Singapore's Prime Minister Lawrence Wong said the country's economy performed better than expected in 2024, building a strong foundation for the city state to confront a more complex international environment next year. GDP expanded 4%, Wong said in his New Year's message. That beat the trade ministry's November forecast for an expansion of around 3.5%. The strong economy will allow real incomes to rise further to outpace inflation, Wong added. In his first New Year message since becoming Singapore's fourth prime minister since independence, Wong pledged to help the city navigate rising global tensions and to keep tackling livelihood issues at home. "We will provide more targeted help to those who find it harder to cope, especially older people and lower-income groups," Wong said, according to a copy of the speech released by the government. "No one will be left behind, because we are all in this together." *(Bloomberg)*

## Companies

### **KPJ: Vice-chancellor Lokman Saim appointed to newly created chief medical director role**

KPJ Healthcare Bhd has appointed Professor Emeritus Datuk Dr Lokman Saim to a newly created role of chief medical director effective immediately, as part of the healthcare group's strategic focus on strengthening its clinical leadership and enhancing its clinical governance. In his new role, Lokman will lead efforts to align clinical operations with the strategic goals of KPJ's health system, which aims to integrate clinical care, education and research to achieve excellence in patient outcomes. "His focus will be on enhancing clinical governance, standardising best practices and optimising operational efficiency, ensuring patient care remains at the heart of KPJ's mission to become the preferred healthcare partner," KPJ said in a statement on Wednesday. (*The Edge*)

### **KLCCP: Upsizes sukuk programme to RM2bn, issues RM600m sukuk**

KLCC Property Holdings Bhd's (KLCCP) wholly-owned unit Suria KLCC Sdn Bhd has upsized its sukuk murabahah programme to RM2bn from RM600m. This came after the programme's RM600m issuance on Dec 31, 2014 matured on Tuesday, according to the group's bourse filing. On the same day, Suria KLCC issued a fresh RM600m sukuk under the expanded programme. The newly issued sukuk has a tenure of 10.5 years with a profit rate of 4% per year. "The upsizing of the sukuk murabahah programme and the revision of terms have taken effect on Dec 31, 2024, after the maturity of the outstanding sukuk murabahah, and will be applicable in respect of the 2024 sukuk murabahah issuance and such other subsequent issuances under the programme," it added. The programme has a perpetual tenure and has been accorded a long-term rating of AAA by RAM Rating Services Bhd, according to KLCCP. (*The Edge*)

### **LYC Healthcare: To list subsidiaries on Nasdaq, expects to raise up to US\$15m**

LYC Healthcare Bhd, listed on the ACE Market of Bursa Malaysia, plans to list two of its subsidiaries — HC Orthopaedic Surgery Pte Ltd (HCOS) and T&T Medical Group Pte Ltd — on the Nasdaq Capital Markets through a listing vehicle, LYC Healthcare (Cayman) Ltd. The proposed listing aims to raise between US\$5m (RM22.3m) and US\$15m, with a minimum share price of US\$4. LYC Healthcare itself will not receive any direct cash proceeds, as the listing does not involve selling existing shares, the confinement centre operator said in a bourse filing on Thursday. LYC Cayman, which will become the ultimate holding company for HCOS and T&T, has already filed its draft Form F-1 Registration Statement with the US Securities and Exchange Commission. (*The Edge*)

### **Bintulu Port: Secures one-year extension to operate main LNG port in Sarawak**

Bintulu Port Holdings Bhd has been granted approval to continue operating the Bintulu Port, Sarawak's main port for liquefied natural gas, for another 12 months. A third interim agreement has been formalised between Bintulu Port's wholly-owned unit Bintulu Port Sdn Bhd, the Ministry of Transport and Bintulu Port Authority for the group to continue operating the port from Jan 1 to Dec 31, 2025. These interim agreements came as the federal government agreed to transfer regulatory powers over Bintulu Port to the Sarawak state government, resulting in the port's status going from a federal port to a state port. (*The Edge*)

### **Hextar Retail: Calls off deal to acquire 51% stake in apparel company Redina**

Hextar Retail Bhd has terminated an agreement to acquire a 51% stake in a shoes and clothing company Redina Malaysia Sdn Bhd for RM35.7m cash. The Rawang-based wooden picture frame mouldings manufacturer said it had issued the termination notice to the seller, Perdanis Distribution (M) Sdn Bhd. The termination was due to Redina's unaudited loss after tax recorded for the nine-month period ended Sept 30, 2024, Hextar Retail said in a bourse filing on Tuesday. "Redina confirmed that it is unlikely to attain the guaranteed PAT for the first year of the guaranteed period," it added. The acquisition, initially comes with a total profit guarantee of RM12m for two years — from Jan 1, 2024 to Dec 31, 2025 — which was supposed to provide Hextar Retail with an additional income stream in the near term. (*The Edge*)



**Cahaya Mata Sarawak: Aborts joint development of hotel, serviced apartments in Kuching Isthmus**

Cahaya Mata Sarawak Bhd has aborted its joint venture project to build a four-star hotel and serviced apartments in Kuching Isthmus, a business district in Kuching, Sarawak, with its joint venture (JV) partners. Shareholders of the JV company, Isthmus Developments Sdn Bhd, mutually decided to abort the project as it is "no longer desired by the shareholders", CMSB said in a bourse filing on Tuesday. "Hence, the JV agreement shall cease to be valid and effective from Dec 31, 2024," CMS said. The partners inked the JV agreement back in December 2010 to build, manage and own a 381-room hotel with 96 units of serviced apartments on a 10.5-acre land in Isthmus Kuching — comprising two plots of land supplied by CMS Land. *(The Edge)*



## Stock Selection Based on Dividend Yield

	Sector	Price (RM)	Dividend/Share (RM)	Dividend Yield (%)
Bermaz Auto	Consumer	1.60	0.18	11.06
MBM Resources	Consumer	6.17	0.52	8.51
British American Tobacco (M)	Consumer	7.46	0.60	7.99
Amway (M)	Consumer	6.75	0.53	7.81
Sentral REIT	REIT	0.80	0.06	7.67
KIP REIT	REIT	0.88	0.07	7.66
Paramount Corporation	Property	1.05	0.07	7.14
Datasonic Group	Technology	0.41	0.03	7.07
YTL Hospital REIT	REIT	1.18	0.08	7.03
Ta Ann Holdings	Plantation	4.28	0.30	7.03
Genting Malaysia	Consumer	2.26	0.16	6.95
Sports Toto	Consumer	1.49	0.10	6.71
CapitaLand Malaysia Trust	REIT	0.68	0.05	6.67
UOA REITS	REIT	0.93	0.06	6.56
REXIT	Technology	0.78	0.05	6.45

Source: Bloomberg

User guide: Mercury Securities compiles a list of dividend-yielding stocks for conservative long-term passive investors looking for regular income whilst capping downside risk of their investment.

Methodology: The list above includes stocks that have a high dividend yield, estimated to be greater than 4% per annum. These stocks also have a history of paying dividends consistently, having paid dividends for the past 3 years.

## IPO Tracker

Company	Listing Sought	Issue Price (RM/Share)	No. Of Shares (m)		Closing Date	Listing Date
			Public Issue	Offer for Sale		
Swift Energy Technology Bhd	ACE Market	0.28	28.0	14.0	23 Dec	08 Jan
CBH Engineering Holding Bhd	ACE Market	0.28	298.0	188.1	02 Jan	16 Jan
Northern Solar Holdings Bhd	ACE Market	0.63	67.3	35.6	20 Jan	06 Feb

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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](http://www.mercurysecurities.com.my)  
Email: mercurykl@mersec.com.my