



Daily Newswatch

Market Review

The FBMKLCI opened on a positive note yesterday, although it briefly drifted into negative territory during the morning session. The overall performance closely tracked U.S. buoyant momentum, underpinned by attractive valuations across key domestic constituents and improving global sentiment. Easing geopolitical tensions—particularly the de-escalation of the Israel-Iran conflict—have also helped suppress regional risk premiums and supported broader investor confidence. Adding to the positive tone, foreign investors turned net buyers of Malaysian equities last Thursday, marking a potential shift in sentiment towards domestic assets amid improving macroeconomic visibility and favourable valuations. This return of foreign interest underscores renewed confidence in Malaysia's medium-term outlook, particularly as external uncertainties begin to stabilise. Among the key constituents, AXIATA (+4.1%) led the gains, followed closely by PMETAL (+3.4%) and GAMUDA (+3.0%). Between the sectors, Construction (+2.0%) emerged as the top outperformer, while Industrial Products & Services (+1.2%) and Property (+0.6%) also posted notable gains. The overall market breath remained positive with 478 gainers outpaced 373 losers.

Asian stocks ended mostly higher on Monday as hopes of Fed rate cuts as well as easing tensions in the Middle East helped boost investors' appetite for riskier assets. With a July 9 deadline looming, investors also assessed the likely impact of U.S. President Donald Trump's trade war on the world's largest economy. SHANGHAI CI rose 0.6% to 3,444.4 on renewed hopes for a U.S.-China trade deal. HSI dropped 0.9% to 24,072.3 as new data showed China's manufacturing activity contracted for a third straight month in June amid weak demand. A measure of non-manufacturing activity increased in the month, offering some respite.

European equities ended Monday's session on a weaker footing, as investor sentiment remained cautious ahead of the impending July 9 deadline. Market participants adopted a risk-off stance following comments from President Donald Trump, who indicated there would be no extension to the tariff moratorium for most trading partners, heightening concerns over potential trade disruptions. On a more constructive note, a new US-U.K. trade agreement came into effect, reducing American tariffs on British automobiles and aircraft components. However, the market response was muted, with broader sentiment still anchored to unresolved global trade dynamics. The EURO STOXX 50 closed lower (-0.4%) and settled at 5,303.2.

U.S. equities advanced further on Monday, extending last week's strong rally, underpinned by sustained optimism surrounding trade negotiations and a notable policy reversal by Canada after it announced the withdrawal of its digital services tax targeting U.S. tech firms, a move seen as easing bilateral tensions and re-opening the door for broader economic and security cooperation. Canadian Finance Minister Francois-Philippe Champagne emphasized the decision as pivotal in advancing negotiations and supporting job creation. Market participants also tracked fiscal policy developments in Washington, where the U.S. Senate engaged in a "vote-a-rama" on proposed amendments to President Trump's tax and spending package, following a narrow procedural vote over the weekend. The outcome of the fiscal bill could have significant implications for future growth and budget dynamics. The Dow Jones Industrial Average rose 275.50 points (+0.6%) to end at 44,094.77, while the Nasdaq Composite added 96.27 points (+0.5%), settling at a fresh high of 20,369.73. Meanwhile, the S&P 500 advanced 31.88 points (+0.5%) to close at 6,204.95.

Macro Snapshots

- MY:** ECERDC records RM6.4bn realised investments in 1H2025 — Anwar
- CN:** Shows off tech resilience in face of Trump export controls
- US:** Dealmakers hit US\$1.8tn as they get used to trade chaos
- CN:** Lifts ban on Japanese seafood imports as frictions ease
- US; UK:** Auto tariff cut comes into effect but no progress on steel

Key Indices	Last Close	Daily chg %	YTD chg %
FBM KLCI	1,533.0	0.3	(6.7)
Dow Jones	44,094.8	0.6	3.6
Nasdaq CI	20,369.7	0.5	5.5
S&P 500	6,205.0	0.5	5.5
SX5E	5,303.2	(0.4)	8.3
FTSE 100	8,761.0	(0.4)	7.2
Nikkei 225	40,487.4	0.8	1.5
Shanghai CI	3,444.4	0.6	2.8
HSI	24,072.3	(0.9)	20.0
STI	3,964.3	(0.0)	4.7

Market Activities	Last Close	% Chg
Vol traded (m shares)	3,570.3	23.1
Value traded (RM m)	2,675.6	20.1
Gainers	478	
Losers	373	
Unchanged	560	

Top 5 Volume	Last Close	Daily chg %	Vol (m)
TANCO	0.915	(1.6)	53.3
MYEG	0.950	1.1	39.2
GAMUDA	4.790	3.0	37.3
NEXG	0.370	2.8	35.2
YTL	2.320	2.2	35.2

Top 5 Turnover	Last Close	Daily chg %	Val (RM m)
GAMUDA	4.790	3.0	177.9
MAYBANK	9.700	(1.1)	165.3
TENAGA	14.380	0.8	118.7
CIMB	6.790	(0.1)	113.2
PBBANK	4.310	(0.7)	96.6

Currencies	Last Close	% Chg
USD/MYR	4.210	0.6
USD/JPY	143.900	0.1
EUR/USD	1.179	0.0
USD/CNY	7.164	0.1
US Dollar Index	96.875	(0.5)

Commodities	Last Close	% Chg
Brent (USD/barrel)	66.7	(0.1)
Gold (USD/troy oz)	3,307.0	0.1
CPO (MYR/metric t)	3,944.0	(0.4)
Bitcoin (USD/BTC)	107,289.7	(0.3)



- **US:** Tax bill would add US\$3.3tn to US deficits, CBO says

Corporate Snapshots

- **Ni Hsin:** Explore acquisition of Hy-Fresh poultry group
- **MyEG:** Changes name to Zetrix AI effective July 3
- **Genting Malaysia:** Submits bid for New York casino licence
- **Reservoir Link:** Bags Petronas Carigali contract, boosting annual revenue by RM25m over four years
- **Yinson:** Pause major investments after another weak quarter

Macro News

MY: ECERDC records RM6.4bn realised investments in 1H2025 — Anwar

The East Coast Economic Region Development Council (ECERDC) has successfully recorded RM6.4bn in realised investments in the first six months of this year, said Prime Minister Datuk Seri Anwar Ibrahim. Anwar, who is also the finance minister, said the ECERDC has also successfully created more than 2,800 jobs to date. "At the same time, the amount of committed investments has reached RM10.4bn, surpassing the RM10bn target set for 2025," he said in a post on his official Facebook page on Monday. Earlier on, Anwar attended a meeting with the ECERDC to review the latest progress on key performance indicators for the economic corridor, and to discuss the development framework for the East Coast Economic Region (ECER) under the upcoming 13th Malaysia Plan, which is currently being formulated by the government. The prime minister said the government's strategic plans, especially through the ECER Development Plan, among others, will see eight strategic and high-impact projects scheduled for completion this year. (*Bernama*)

CN: Shows off tech resilience in face of Trump export controls

As US President Donald Trump brandishes US export controls on technology as a bargaining chip to wrest supplies of rare earth magnets from Beijing, China is showcasing what it can do without the most advanced American semiconductors. On a government-organised trip this month to Jiangsu and Zhejiang, two of China's richest provinces that spawned AI darling DeepSeek, authorities lined up a host of executives from technology companies to meet with journalists from *Bloomberg News* and other media outlets. The message was ultimately one of defiance: China's technology sector still aims at world dominance despite US curbs. Take Magiclab Robotics Technology Co, a firm in the eastern city of Suzhou founded barely more than a year ago. Its president, Wu Changzheng, said it had independently developed more than 90% of the parts it uses to make humanoid robots. The rest consists of semiconductors and microcontroller units procured domestically and overseas, he said, adding that they don't use US chips. (*The Edge*)

US: Dealmakers hit US\$1.8tn as they get used to trade chaos

Big-money takeovers of private companies helped drive mergers and acquisitions in the first half, as dealmakers got comfortable writing sizable cheques in topsy-turvy markets. More than half of the 10 largest deals announced in 2025 have involved a private target, data compiled by *Bloomberg* show, including the tie-up of Charter Communications Inc and Cox Communications, Alphabet Inc's purchase of cybersecurity firm Wiz Inc and Constellation Energy Corp's acquisition of US power station operator Calpine Corp. All were valued at around US\$30bn (RM126.5bn) or more including debt. Transactions like these and Meta Platforms Inc's US\$14bn-plus investment in data-labelling startup Scale AI have lifted the value of all deals globally by almost a fifth to US\$1.8tn, the data show. (*Reuters*)

CN: Lifts ban on Japanese seafood imports as frictions ease

China has lifted a 2023 ban on imports of seafood from most parts of Japan, removing an irritant in relations with its neighbour by starting to implement a deal reached last September. Beijing will allow the import of seafood products from most of Japan to resume, according to a statement from the General Administration of Customs on Sunday. Products from 10 prefectures including Fukushima, will remain barred, according to the statement, as they have been since the meltdown of the Fukushima nuclear power plant in 2011. That ban was extended to the rest of Japan in August 2023 after Tokyo announced it would start releasing wastewater from the wrecked power plant. Although the release had been approved by the International Atomic Energy Agency, China argued the release would contaminate the seas with radioactivity and render seafood caught off Japan unsafe for human consumption. (*Bloomberg*)

US; UK: Auto tariff cut comes into effect but no progress on steel

UK car manufacturers can export to the US under a 10% tariff starting Monday, a reduction from the 25% rate imposed by Donald Trump on other countries, as the first elements of an economic agreement between the US president and Prime Minister Keir Starmer come into effect. British aerospace companies like Rolls Royce Holdings plc also saw 10% tariffs on goods including engines and aircraft parts slashed to zero as of 5.01am London time (12.01pm Malaysia). However, there is still no sign of progress toward lowering levies on the UK's beleaguered steel industry, which remains at 25% despite Britain previously announcing an agreement to reduce them to zero. "From today, our world-class automotive and aerospace industries will see tariffs slashed, safeguarding key industries that are vital to our economy,"



Starmer said in a statement. The UK's business and trade department said Britain was the only country to have secured such a deal with Trump, adding that it would save thousands of jobs. (*Bloomberg*)

US: Tax bill would add US\$3.3tn to US deficits, CBO says

The Senate version of President Donald Trump's tax and spending measure would add nearly US\$3.3tn to US deficits over a decade, according to a new estimate from the non-partisan Congressional Budget Office (CBO). The CBO score for the so-called One Big Beautiful Bill reflects a US\$4.5tn decrease in revenues and a US\$1.2tn decrease in spending through 2034, relative to a current law baseline. The Senate bill, by Republican request, was also scored as saving US\$507.6 billion over a decade relative to a current policy baseline. The party's lawmakers have sought to use the accounting maneuver to permanently extend President Donald Trump's 2017 income-tax cuts, and score them as costing nothing. (*Bloomberg*)

Corporate News

Ni Hsin: Explore acquisition of Hy-Fresh poultry group

Ni Hsin Group Bhd on Monday signed a heads of agreement (HOA) with the intention to acquire Hy-Fresh Group, one of Malaysia's largest fully integrated halal-certified poultry businesses. In a filing with Bursa Malaysia, Ni Hsin said the HOA was signed with Datuk Seri Pua Tian Siong, who is the ultimate controlling shareholder and beneficial owner of Hy-Fresh Group. The agreement will allow both parties to negotiate exclusively within 90 days, or longer if required, to finalise a definitive agreement, subject to due diligence, valuation, and regulatory approvals. "The purchase consideration for the proposed acquisitions will be satisfied through a combination of cash and the issuance of new Ni Hsin shares at an indicative price of 12 sen each, with the final value and payment structure to be determined after due diligence and further negotiations," it said. Hy-Fresh Group's operations cover feed milling, breeder and broiler farms, hatcheries, layer farms, processing plants, cold storage and distribution across Malaysia and Singapore. (*The Edge*)

MyEG: Changes name to Zetrix AI effective July 3

MyEG Services Bhd on Monday announced its name change to Zetrix AI Bhd effective 9am, July 3 (Thursday). In a filing with Bursa Malaysia, the company said its stock short name would be changed from MyEG to Zetrix. "The stock number remains unchanged," it added. MyEG is a concessionaire for the Malaysian Electronic-Government MSC Flagship Application, which builds, operates and owns the electronic channel to deliver services from various government agencies to Malaysian citizens and businesses. (*The Edge*)

Genting Malaysia: Submits bid for New York casino licence

Genting Malaysia Bhd announced that a formal bid has been submitted for a casino licence in New York as part of a US\$5.5bn (RM23.2bn) resort development in Queens. The bid was submitted on June 27 in response to the New York State Gaming Commission's request for applications for up to three commercial casinos in downstate New York, where its Resorts World New York City (RWNYC) is located, Genting Malaysia said in an exchange filing. A decision is expected by Dec 1, followed by the issuance of licences by Dec 31, 2025. In a separate statement, RWNYC touted that its 5.6m-square-foot project could provide tax revenue as soon as July 2026, promising to launch table game and full-casino slot machine operations within six months of receiving a gaming facility licence. (*The Edge*)

Reservoir Link: Bags Petronas Carigali contract, boosting annual revenue by RM25m over four years

Reservoir Link Energy Bhd said on Monday that its unit has secured a work order from Petronas Carigali Sdn Bhd for the provision of annulus wash and cement assurance (AWCA) services. The job was awarded to Reservoir Link Sdn Bhd (RLSB), with the contract spanning four years starting from May 26, 2025, according to the group's bourse filing. In a separate statement, the group said the contract is expected to generate up to RM25m annually. "The contract period will be valid for a period of four years until 2029, which collectively amounts to an estimated RM100m in contract value," read the statement. Under the contract, RLSB will provide AWCA services, which include creating circulation tunnels or windows, removing defective cement from single or dual annulus (casing), and placing new cement through the created openings. With this latest award, Reservoir Link has announced three contract wins year-to-date. (*The Edge*)

Yinson: Pause major investments after another weak quarter

Yinson Holdings Bhd said it would hold off major investments to focus on delivering income and until it sees cash flow from current projects, after reporting another weaker quarter. As the Agogo floating production storage and offloading (FPSO) vessel commences its charter period in the coming year, there would be a phase of "stable growth" from steady, contracted income streams for the next few decades, Yinson said in an exchange filing. "The strong focus on deliveries will also mean giving big investments a break until these deliverables are met and the start of the cash flows is seen," Yinson said. Net profit for the first quarter ended April 30, 2025 (1QFY2026) fell 43% to RM115m from the same quarter a year earlier, marking its sixth consecutive decline, largely due to lower construction progress billings and higher administrative expenses. Revenue also fell over the same pace to RM1.2bn from 1QFY2025. Yinson declared a single-tier dividend of two sen per share, payable on Sept 26. (*The Star*)



Upcoming key economic data releases	Date
UK – GDP Q1	Jun 30
EU – German CPI	Jun 30
US – Chicago PMI (June)	Jun 30
EU – Euruzone CPI (June)	July 1
US – ISM Manufacturing PMI (June)	July 1
US – ADP Nonfarm Employment Change (June)	July 2
US – Nonfarm Payrolls (June)	July 3
<i>Source: Bloomberg</i>	

Stock Selection Based on Dividend Yield

	Sector	Price (RM)	Dividend/Share (RM)	Dividend Yield (%)
Bermaz Auto	Consumer	1.11	0.15	13.78
Amway (M)	Consumer	5.07	0.47	9.27
British American Tobacco (M)	Consumer	6.21	0.54	8.70
Sentral REIT	REIT	0.78	0.06	8.26
YTL Hospital REIT	REIT	1.04	0.08	7.98
REXIT	Technology	0.63	0.05	7.94
KIP REIT	REIT	0.87	0.07	7.75
Hektar REITS	REIT	0.49	0.04	7.63
CapitaLand Malaysia Trust	REIT	0.64	0.05	7.56
Paramount Corporation	Property	1.03	0.07	7.28
MBM Resources	Consumer	5.43	0.39	7.24
Taliworks Corporation	Utilities	0.70	0.05	7.14
MAG Holdings	Consumer	1.23	0.08	6.67
Magnum	Consumer	1.23	0.08	6.67
Ta Ann Holdings	Plantation	3.92	0.26	6.58

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		
Arrow Systems Group Berhad	ACE Market	0.17	128.3	53.5	19 Jun	02 Jul
PMCK Group Berhad	ACE Market	0.22	272.6	32.7	25 Jun	09 July
A1 A.K. Koh Group Berhad	ACE Market	0.25	109.2	109.2	30 Jun	11 July
ICents Group Holdings Berhad	ACE Market	0.24	112.5	30.0	02 July	17 July
Enproserve Group Berhad	ACE Market	0.24	210.0	105.0	08 July	18 July
Oxford Innotech Berhad	ACE Market	0.29	143.5	50.0	16 July	29 July



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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
Email: mercurykl@mersec.com.my