



Daily Newswatch

Market Review

The FBMKLCI ended higher last Friday, gaining 0.3% and extending its recent rebound. However, the gain was not sufficient to lift the benchmark index into positive territory for the week, reflecting cautious investor sentiment amid ongoing external uncertainties. Market sentiment was broadly supported by a more constructive outlook on Malaysia's macroeconomic fundamentals. The advanced estimate for 2Q2025 GDP came in at +4.5%, marginally ahead of the consensus forecast of +4.3%, reaffirming the resilience of the domestic economy in the face of persistent global headwinds, including volatile trade policies and geopolitical risks. The improved domestic backdrop was further underpinned by a strong US economic data. U.S. retail sales rose by 0.6% in June, exceeding expectations and pointing to sustained consumer demand, while initial jobless claims declined for the fifth consecutive week, marking the lowest level since mid-April. Between the key index constituents, GAMUDA (+3.5%) led the gain and followed by PBBANK (+1.4%) and SUNWAY (+1.4%). Sector-wise, Construction (+3.4%) is the top performer, while Property (+1.5%) and Industrial Products & Services (+0.9%) also posted gain. The broader market breadth turned more positive with 621 gainers outnumbered 393 losers.

Asian markets ended Friday on a mixed note, as early gains were pared back amid resurfacing tariff concerns, which partially offset the impact of upbeat tech earnings and stronger-than-expected U.S. economic data. The HSI outperformed, rising 1.3% to 24,825.66, supported by improved sentiment following a constructive outlook from Taiwan Semiconductor. Shanghai CI advanced 0.5% to 3,534.48, as investors responded positively to speculation of further policy stimulus aimed at supporting domestic demand. Separately, China's Ministry of Commerce reiterated calls for the U.S. to abandon zero-sum approaches and further ease "unjustified" trade and economic restrictions, underscoring ongoing U.S.-China trade tensions that continue to weigh on broader risk appetite across the region.

Despite a series of strong earnings reports, European stocks ended Friday on a subdued note following reports that U.S. President Donald Trump is considering imposing tariffs of at least 15% to 20% on European Union imports, regardless of whether a trade agreement is reached. As a result, the STOXX 600 closed flat.

U.S. stocks ended the week mixed, with the Nasdaq rising 1.5% to notch a new record closing high of 20,895.66, while the S&P 500 advanced 0.6% and the Dow Jones Industrial Average slipped 0.1%. Early strength in the week was driven by upbeat U.S. economic data, including robust retail sales and improving labor market conditions, which helped ease concerns over President Trump's proposed tariffs and supported investor confidence. However, the rally lost momentum heading into the weekend, as major indices wavered on Friday, closing narrowly mixed after profit-taking set in following fresh intraday record highs for the Nasdaq and S&P 500. A sharp 5.1% drop in Netflix shares weighed on sentiment, after the company warned of a weaker operating margin outlook for the second half of the year despite posting solid Q2 results. Meanwhile, consumer sentiment continued to improve, with the University of Michigan's index rising to 61.8 in July, its highest reading since February, though the report had minimal market impact. Overall, technology and AI-related stocks continued to lead gains, while volatility remained contained as traders weighed economic resilience against lingering trade-policy uncertainty.

Macro Snapshots

- CN:** Exports of rare earth magnets to the US surge in June
- CN:** Plans crackdown on zero-mileage used car sales
- US:** Trump aims tariff double whammy at industries, nations by Aug 1, Bloomberg reports
- US:** In talks with Ukraine on drone investment deal

Key Indices	Last Close	Daily chg %	YTD chg %
FBM KLCI	1,525.9	0.3	(7.1)
Dow Jones	44,342.2	(0.3)	4.2
Nasdaq CI	20,895.7	0.0	8.2
S&P 500	6,296.8	(0.0)	7.1
SX5E	5,359.2	(0.3)	9.5
FTSE 100	8,992.1	0.2	10.0
Nikkei 225	39,819.1	(0.2)	(0.2)
Shanghai CI	3,534.5	0.5	5.5
HSI	24,825.7	1.3	23.8
STI	4,189.5	0.7	10.6

Market Activities	Last Close	% Chg
Vol traded (m shares)	3,182.1	0.3
Value traded (RM m)	2,813.0	13.2
Gainers	621	
Losers	393	
Unchanged	397	

Top 5 Volume	Last Close	Daily chg %	Vol (m)
ENPRO	0.265	10.4	75.8
NEXG	0.495	1.0	74.3
ZETRIX	0.945	1.1	60.6
TANCO	0.910	1.1	49.5
SNS	0.590	7.3	44.8

Top 5 Turnover	Last Close	Daily chg %	Val (RM m)
MPSOL	0.020	(33.3)	0.0
MYCRON	0.260	(3.7)	0.1
LEBTECH	0.805	2.5	0.1
HWGB	0.220	12.8	0.3
MINOX	0.225	(2.2)	0.9

Currencies	Last Close	% Chg
USD/MYR	4.243	0.1
USD/JPY	148.600	0.1
EUR/USD	1.163	0.0
USD/CNY	7.175	0.1
US Dollar Index	98.420	(0.1)

Commodities	Last Close	% Chg
Brent (USD/barrel)	69.4	0.2
Gold (USD/troy oz)	3,346.5	(0.1)
CPO (MYR/metric t)	4,262.0	3.0
Bitcoin (USD/BTC)	117,473.6	(0.6)



- **CN:** Begins building world's largest US\$170bn hydroelectric power plant in Tibet
- **MY:** To strengthen ties with Singapore in govtech, housing and public sector reforms

Corporate Snapshots

- **KTI Landmark:** Bags RM131m construction contract in Sabah from CIDB
- **Chin Hin Group Property:** Clarifies tenancy status and funding details for RM685m GDV high-rise project
- **TH Plantations:** Issues show cause letters to CEO, CFO over alleged RM5.1m unauthorised payments
- **TCS Group:** Plans to place out 10% of shares to raise funds for working capital
- **Globetronics:** Invests RM45m in loss-making Mpire
- **Silver Ridge:** Wins underground cable installation contract
- **NexG:** Sets up MyNasional Holdings as AI, data intelligence arm
- **PTT Synergy:** Acquires land in Rawang for RM60m to develop warehouse

Macro News

CN: Exports of rare earth magnets to the US surge in June

China's exports of rare earth magnets to the United States in June soared to more than seven times their May level, marking a sharp recovery in the flow of critical minerals used in electric vehicles and wind turbines after a Sino-US trade deal. Outbound shipments to the United States from the world's largest producer of rare earth magnets surged to 353 metric tonnes in June, up 660% from May, data from the General Administration of Customs showed on Sunday. That came after pacts reached in June to resolve issues around shipments of rare earth minerals and magnets to the United States. Chipmaker Nvidia plans to resume sales of its H20 AI chips to China, as part of the agreement. China, which provides more than 90% of the global supply of rare earth magnets, decided in early April to add several rare earth items to its export restriction list in retaliation for US tariffs. *(Bloomberg)*

CN: Plans crackdown on zero-mileage used car sales

China's industry ministry is planning to ban the resale of cars within six months of their initial registration, as part of efforts to combat sales of so-called zero-mileage used cars, an industry association publication reported on Saturday. Zero-mileage used cars have emerged in China as a result of the uniquely cutthroat competition for sales in the world's largest auto market, which is reeling from a brutal, years-long price war caused by chronic overcapacity. The practice involves insuring a new vehicle before it is sold, allowing automakers and their dealers to meet sales targets. But it can create hassles for customers. *(Bloomberg)*

US: Trump aims tariff double whammy at industries, nations by Aug 1, Bloomberg reports

US President Donald Trump is readying plans for industry-specific tariffs to kick in alongside his country-by-country duties in two weeks, ramping up his push to reshape the US' standing in the global trading system by penalising purchases from abroad. Administration officials could release details of Trump's planned 50% duty on copper in the days before they are set to take effect on Aug 1, according to a person familiar with the matter. That's the same date so-called reciprocal levies on products from more than a 100 nations are slated to begin. Trump said on Tuesday he is likely to impose tariffs on pharmaceuticals by month's end, adding that import taxes on semiconductors could come soon as well. One person familiar with the process said after copper, Trump's team has discussed making announcements on lumber, chips, critical minerals and drugs in that order, though that cadence has not been finalised and may change. *(Bloomberg)*

US: In talks with Ukraine on drone investment deal

Ukraine and the United States are in detailed talks on a deal involving US investment in Kyiv's domestic drone production, Ukrainian Prime Minister Yulia Svyrydenko said on Friday. The announcement comes a day after President Volodymyr Zelenskiy tasked a reshuffled new government with scaling up Ukraine's arms industry and strengthening ties with its strategic partners. Svyrydenko, speaking to reporters alongside several other new ministers in the capital Kyiv, said the deal would also lead to the US, Ukraine's biggest military backer in its war with Russia, purchasing Ukrainian drones. "We plan to sign a 'drone deal' with the United States. We are discussing investments in the expansion of production of Ukrainian drones by the US," she said. *(Reuters)*

CN: Begins building world's largest US\$170bn hydroelectric power plant in Tibet

China has officially begun the construction of a hydroelectric project in the lower reaches of the Yarlung Tsangpo River in the Tibet Autonomous Region in the southwest of the country with a total investment of about 1.2tn yuan (US\$167.2bn, or RM709.9bn), according to a statement on the website of the State Council of the People's Republic of China, reported *Sputnik/RIA Novosti*. "Chinese Premier Li Qiang



announced on Saturday (July 19) the start of the construction of a hydropower project in the lower reaches of the Yarlung Zangbo River," the statement said., It is noted that the project will consist of five cascade hydroelectric power plants "with a total investment estimated at around 1.2tn yuan (about 167.8bn US dollars)". The energy generated will primarily be supplied for external consumption, as well as to meet local demand in Tibet. *(Reuters)*

MY: To strengthen ties with Singapore in govtech, housing and public sector reforms

Malaysia and Singapore are now exploring strategic cooperation in three main areas — govtech, public housing and public sector reform — to strengthen public service delivery. Chief Secretary to the Government Tan Sri Shamsul Azri Abu Bakar said these were the main areas of collaboration identified during his three-day official working visit to Singapore, beginning Friday (July 18). "We want to learn from Singapore. Firstly, in regard to govtech, as they have already implemented it, while we are in the process of launching our own. "Secondly, their affordable housing through the Singapore Housing Board. And thirdly, we want to learn about reforms in the public service," he said. *(Bernama)*

Corporate News

KTI Landmark: Bags RM131m construction contract in Sabah from CIDB

Sabah-based property developer KTI Landmark Bhd has secured a RM130.6m contract to build the Malaysian Building Academy (ABM) campus in the state. The contract was awarded to its wholly-owned subsidiary KTI Sdn Bhd by the Construction Industry Development Board, according to KTI Landmark's filing with Bursa Malaysia. Construction of the building in the Papar district will be carried out over 24 months. KTI Landmark, which was listed on the ACE Market in June 2024, said the contract is expected to contribute positively to its earnings for the financial years ending 2025 through 2027. *(The Edge)*

Chin Hin Group Property: Clarifies tenancy status and funding details for RM685m GDV high-rise project

Chin Hin Group Property Bhd has provided additional information to Bursa Malaysia regarding its proposed acquisition of land for a high-rise development project with an estimated gross development value (GDV) of RM685.1m . In a filing with Bursa Malaysia on Friday, CHGP said the land is presently occupied by Nation Drive Wilayah Sdn Bhd, which operates a driving school. However, the vendor is obliged to secure vacant possession before CHGP commences construction. "The proposed development comprises a high-rise building with approximately 2,434 units of serviced apartments, along with car parks and amenities. "The project is expected to begin in December 2025 and to be completed by December 2030, with a gross development cost of RM575m," it added. *(The Edge)*

TH Plantations: Issues show cause letters to CEO, CFO over alleged RM5.1m unauthorised payments

TH Plantations Bhd, the plantation arm of Lembaga Tabung Haji, on Friday issued show cause letters to both its chief executive officer (CEO) Mohamed Zainurin Mohamed Zain and chief financial officer (CFO) Marliyana Omar. This is due to alleged unauthorised payments totalling RM5.1m made to plantation workers. Following that, Zainurin has been placed on garden leave, which took effect on the same day, and will remain in place until further notice, according to the group's filing with Bursa Malaysia. However, Marliyana, 44, who was appointed to the position on April 14, 2023, has voluntarily tendered her resignation with immediate effect. Zainurin, 58, has been TH Plantations CEO since Oct 1, 2021. Prior to this, he was the financial controller at New Britain Palm Oil Ltd, a subsidiary of Sime Darby Plantation Bhd, now known as SD Guthrie Bhd, based in Papua New Guinea. *(The Edge)*

TCS Group: Plans to place out 10% of shares to raise funds for working capital

Construction and renewable energy projects provider TCS Group Holdings Bhd has proposed to place out up to 10% of its total issued shares to third-party investors to be identified to raise as much as RM8.5m, primarily for working capital in four ongoing construction projects. The projects it expects to use the funds on are: construction of 561 units of *Rumah Selangorku*, the building of 60 two-storey semi-detached factories in Elmina Business Park, the highway upgrading works it secured under the Pan Borneo Sabah Highway Phase 1B, and the building of two blocks of 48-storey serviced apartments in Selangor. The proceeds to be raised is based on an illustrative price of 12.1 sen per placement share. The actual price is yet to be set. *(The Edge)*

Globetronics: Invests RM45m in loss-making Mpire

Cash-rich Globetronics Technology Bhd's latest investment is the purchase of a 30.8% equity interest and 54% of Warrant C in loss-making Mpire Global Bhd. Globetronics paid RM45.1 million for a block of shares and Warrant C, according to the company's filing with Bursa Malaysia. Mpire, formerly known as Sand Nisko Capital Bhd, is involved in property construction and development, as well as fleet management services — including the trading and leasing of motor vehicles, among others. In a separate filing with Bursa, Globetronics disclosed that it had invested RM60.1m— equivalent to 19.5% of its latest audited consolidated net assets — over the past 12 months to acquire quoted securities. However, no further details were provided on the specific securities purchased. It was declared that the market value of these securities stood at RM59.5m.

(The Edge)

Silver Ridge: Wins underground cable installation contract

Telecommunications services provider Silver Ridge Holdings Bhd said on Friday that its 51%-owned unit has secured a RM16.9m contract for the installation of underground cables. The contract awarded to Total SR Web 3.0 Sdn Bhd by Elektron Berkat Sdn Bhd involves the installation of IIKV aluminium XLPE cables and accessories for asset development for all zones of the distribution network division, Silver



Ridge said in a filing with Bursa Malaysia. The contract award will contribute positively to the earnings of the group for the financial year ending June 30, 2025, the filing read. For the third quarter ended March 31, 2025, Silver Ridge reported a more than 10-fold jump in net profit to RM327,000 from RM31,000 a year earlier, on the back of higher revenue of RM12.5m, boosted by newly secured contracts, particularly from the construction and others segments. *(The Edge)*

NexG: Sets up MyNasional Holdings as AI, data intelligence arm

NexG Bhd's new subsidiary, MyNasional Holdings Sdn Bhd, will serve as the group's dedicated artificial intelligence (AI) and data intelligence arm, in line with the Digital Economy Blueprint and the national MyDigital ID roadmap. The group said MyNasional is envisioned to play a critical role in supporting the government's digitalisation agenda by delivering trusted, intelligent, and interoperable digital solutions to both public institutions and private sector ecosystems. "The entity will oversee three key focus areas — digital identity and eKYC (electronic-Know Your Customer) verification, business data and corporate intelligence, as well as AI and smart analytics solutions," it said in a statement on Friday. Through the establishment of a dedicated unit, MyNasional AI, the group aims to lead the development of transformative, next-generation AI solutions. *(The Edge)*

PTT Synergy: Acquires land in Rawang for RM60m to develop warehouse

Construction outfit PTT Synergy Group Bhd has proposed to acquire 4.6 hectares of freehold land in Rawang, Selangor, for RM60m to build a commercial warehouse. A single-storey industrial building equipped with an automated storage and retrieval system (ASRS) will be developed on the land, according to the group in a filing with Bursa Malaysia on Friday. The building will then be leased or rented to a third party. The group submitted its development application to the relevant authorities on June 3, the filing read, adding that the completed facility is expected to generate RM22.2m in annual rental income. PTT said its wholly owned subsidiary, PTT Logistics Hub 2 Sdn Bhd, which is principally involved in the rental and operational leasing of ASRS-equipped warehouses, has entered into a deal to buy the land, divided into eight parcels, from Koperasi Kakitangan Bank Rakyat Bhd. *(The Edge)*

Upcoming key economic data releases	Date
US – Fed Chairman speech	July 22
US – Initial jobless claims (Jul 19)	July 24
EU – ECB Interest rate decision	July 24
Source: Bloomberg	



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		
Oxford Innotech Berhad	ACE Market	0,29	143.5	50.0	16 July	29 July

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