



Daily Newswatch

Market Review

The FBMKLCI closed the day on a firmer footing, successfully recovering losses recorded over the previous 2 sessions. Market sentiment was lifted following Prime Minister Anwar's announcement this morning, particularly the one-off RM100 cash handout, which drove renewed interest in consumer-related stocks. As a result, the consumer sector led gains among FBMKLCI constituents. However, the de-escalation from the previously threatened 25% levy scheduled to take effect on 1 August in the absence of a bilateral agreement. Among the key index constituents, 99SMART (+3.1%) emerged as the top performer, followed by IOICORP (+2.1%) and CIMB (+1.8%). Sector-wise, Technology (+1.5%) led the rally and followed by Industrial Products (+0.9%) and Healthcare (+0.8%). The broader market breadth turned bullish, with 627 advancers outpacing 387 decliners.

Asian stocks closed mostly higher on Wednesday after U.S. President Donald Trump announced trade agreements with Japan and the Philippines, easing concerns about the tariff war. The "largest ever" U.S. trade deal with Japan features a 15% tariff on Japanese exports and includes a commitment from Tokyo to invest \$550bn in the U.S. and open its markets for American vehicles, rice, and other agricultural goods. Trump claimed the U.S. would receive 90% of profits from the agreement and that the pact could generate hundreds of thousands of American jobs. According to Trump, the new trade pact with the Philippines would make the county an open market with zero tariffs on U.S. goods, but with Manila paying a 19% duty. The announcement of these trade deals spurred expectations of further trade agreements as the August 1st deadline nears. SHANGHAI CI finished marginally higher at 3,582.3 after reports emerged that the U.S. and China will meet in Stockholm next week to discuss extending their tariff truce. HSI jumped 1.6% to 25,538.1, extending gains for a fourth straight session.

European stocks closed on a strong note on Wednesday as prospects of a trade deal between the U.S. and EU increased after U.S. President Donald Trump announced trade deals with Japan and the Philippines. The prospects of an EU-U.S. trade agreement improved after Trump said that EU representatives would come for trade negotiations on Wednesday. "We have Europe coming in tomorrow, and the next day, we have some other 1 coming in," Trump said late on Tuesday, without specifying details. EURO STOXX 50 jumped 1% to 5,344.3.

Stocks moved mostly higher during trading on Wednesday, with the major averages all moving to the upside after ending Tuesday's session narrowly mixed. The major averages ended the day just off their highs of the session. The DOW jumped 1.1% to 45,010.2, the NASDAQ climbed 0.6% to 21,020.0 and the S&P 500 advanced 0.8% to 6,358.9. The strength on U.S. came after President Donald Trump announced trade deals with Japan and the Philippines. On the U.S. economic front, a report released by the National Association of Realtors showed existing home sales in the U.S. pulled back by more than expected in the month of June. NAR said existing home sales slumped by 2.7% to an annual rate of 3.93 million in June after jumping by 1.0% to a revised rate of 4.03 million in May. Economists had expected existing home sales to fall by 0.5% to an annual rate of 4.01 million from the 4.03 million originally reported for the previous month.

Macro Snapshots

- US:** White House to unveil plan to push US AI abroad, crack down on restrictive rules, document shows
- US:** Marcos meeting with Trump yields 19% tariff for Philippines
- JP:** PM Ishiba denies talk he will quit following election drubbing
- MY:** Financial fundamentals draw IMF praise
- US:** Trump strikes tariff deal with Japan, auto stocks surge
- MY:** Govt pay over RM500m to concessionaires to freeze toll hikes at 10 highways

Key Indices	Last Close	Daily chg %	YTD chg %
FBM KLCI	1,529.8	0.7	(6.9)
Dow Jones	45,010.3	1.1	5.8
Nasdaq CI	21,020.0	0.6	8.9
S&P 500	6,358.9	0.8	8.1
SX5E	5,344.3	1.0	9.2
FTSE 100	9,061.5	0.4	10.9
Nikkei 225	41,171.3	3.5	3.2
Shanghai CI	3,582.3	0.0	6.9
HSI	25,538.1	1.6	27.3
STI	4,231.3	0.5	11.7

Market Activities	Last Close	% Chg
Vol traded (m shares)	3,271.3	16.1
Value traded (RM m)	2,248.1	9.7
Gainers	627	
Losers	387	
Unchanged	397	

Top 5 Volume	Last Close	Daily chg %	Vol (m)
NEXG	0.520	3.0	82.2
TANCO	0.915	0.5	61.9
EKOVEST	0.395	1.3	55.9
ZETRIX	0.945	2.2	49.1
GPACKET	0.050	11.1	42.5

Top 5 Turnover	Last Close	Daily chg %	Val (RM m)
MAYBANK	9.590	0.6	143.0
TNB	13.940	1.2	111.8
PBBANK	4.290	(0.5)	70.1
GAMUDA	5.230	0.8	65.8
99SMART	2.340	3.1	58.1

Currencies	Last Close	% Chg
USD/MYR	4.228	0.1
USD/JPY	146.440	0.0
EUR/USD	1.177	0.0
USD/CNY	7.154	0.2

US Dollar Index	97.214	(0.2)
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Commodities	Last Close	% Chg
Brent (USD/barrel)	68.5	(0.1)
Gold (USD/troy oz)	3,389.5	0.1
CPO (MYR/metric t)	4,236.0	(0.2)
Bitcoin (USD/BTC)	118,674.0	0.6



Corporate Snapshots

- **UEM Sunrise:** Property sector to gain from economic and welfare measures
- **AME REIT:** Net property income up 11.5% on new acquisitions, higher rental rates
- **TT Vision:** Lease industrial plot in Bayan Lepas for new manufacturing facility
- **UOA REIT:** Improved occupancies lift 2Q net rental income; declares higher distribution
- **HI Mobility:** Denies wage cuts for Causeway Link drivers
- **Supermax Corp:** Court grants Supermax boss adjournment in suit by wife pending closed-door hearing request
- **Northern Solar:** Expands beyond rooftops with utility-scale solar push

Macro News

US: White House to unveil plan to push US AI abroad, crack down on restrictive rules, document shows

The White House intends to publish a plan on Wednesday that calls for the export of American artificial intelligence (AI) technology abroad, and a crackdown on state laws deemed too restrictive to let it flourish, a document seen by *Reuters* shows. According to a summary of the draft plan seen by *Reuters*, the White House will bar federal AI funding from going to states with tough AI rules, and ask the Federal Communications Commission (FCC) to assess whether state laws conflict with its mandate. It will also promote open source and open weight AI development and the "export American AI technologies through full-stack deployment packages", and data-centre initiatives led by the US Commerce Department. (*Bloomberg*)

US: Marcos meeting with Trump yields 19% tariff for Philippines

President Donald Trump said the US reached an agreement with the Philippines setting a 19% tariff on the Southeast Asian country's exports, a deal Philippine businesses say may push them to look at other markets. Trump announced the deal on social media Tuesday after meeting with Philippine President Ferdinand Marcos Jr. The minor reduction underscored the difficulty foreign leaders are facing as they attempt to convince the US president to grant relief from his country-based tariffs. "The Philippines is going OPEN MARKET with the United States, and ZERO Tariffs. The Philippines will pay a 19% Tariff. In addition, we will work together Militarily," Trump wrote on social media. (*Bloomberg*)

JP: PM Ishiba denies talk he will quit following election drubbing

Japanese Prime Minister Shigeru Ishiba denied talk on Wednesday that he would quit after a source and media reports said he plans to step down following a bruising upper house election defeat. The 68-year-old leader said media reports that he had already decided to resign were "completely unfounded." Ishiba chose not to quit straight after the election to prevent political instability as an August 1 deadline for clinching a trade deal with the US approached, a source close to the prime minister said, asking not to be identified because they are not authorised to talk to the media. Ishiba and Trump unveiled a trade deal on Tuesday that lowers tariffs on imports of Japanese autos and spares Tokyo punishing new levies on other goods. (*Reuters*)

MY: Financial fundamentals draw IMF praise

Malaysia's financial strength and market flexibility support resilience against external shocks and capital outflows, according to the International Monetary Fund (IMF). These factors, including Malaysia's strong balance sheet, position the country well to navigate global financial volatility without major disruption, the IMF stated in its *2025 External Sector Report*, released in Washington on Monday (July 21). The IMF said that Malaysia's net international investment position (NIIP) is expected to increase over the medium term, supported by projected current account surpluses. It highlighted that the NIIP then declined to -0.6% of GDP at the end of last year because of an increase in direct and portfolio investment liabilities. At the same time, total external debt increased to 69.7% of GDP at the end of 2024, compared to 68% at the end of 2023, and remains manageable. (*Bernama*)

US: Trump strikes tariff deal with Japan, auto stocks surge

US President Donald Trump struck a trade deal with Japan that lowers tariffs on auto imports and spares Tokyo from punishing new levies on other goods in exchange for a US\$550bn (RM2.3tn) package of US-bound investment and loans. It is the most significant of a clutch of agreements Trump has bagged since unveiling sweeping global levies in April, though like other deals, exact details remained unclear. Japan's autos sector, which accounts for more than a quarter of its US exports, will see existing tariffs cut to 15% from levies totalling 27.5% previously. Duties that were due to come into effect on other Japanese goods from August 1 will also be cut to 15%. The announcement sent Japan's benchmark Nikkei stock index climbing almost 4% to its highest in a year, led by stocks in automakers with Toyota up more than 14% and Honda nearly 11%. (*The Edge*)



MY: Govt to pay over RM500m to concessionaires to freeze toll hikes at 10 highways this year

The Ministry of Finance will bear over RM500m in compensation to the highway concessionaires to maintain current toll rates at 10 major expressways this year, according to Works Minister Datuk Seri Alexander Nanta Linggi. The toll hike freeze was one of the initiatives announced by Prime Minister Datuk Seri Anwar Ibrahim on Wednesday, as part of what he described as appreciation for Malaysians. Public-listed firms related to the highways involved include Bina Puri Holdings Bhd, which operates LATAR; Taliworks Corp Bhd, which operates GRANDSAGA and NNKSB; and Ekovest Bhd, which operates DUKE. Other concessionaires include Senai-Desaru Expressway Bhd (SDE), PLUS Malaysia Bhd (LPT2), SKVE Holdings Sdn Bhd (SKVE), Ministry of Finance-owned Jambatan Kedua Sdn Bhd (JSAHMS), Maju Expressway Sdn Bhd (MEX), and Lingkar Luar Butterworth (Penang) Sdn Bhd (LLB). (*The Edge*)

Corporate News

UEM Sunrise: Property sector to gain from economic and welfare measures

UEM Sunrise Bhd shared in a statement on Wednesday (July 23) that Prime Minister Datuk Seri Anwar Ibrahim's latest address on economic growth and welfare initiatives signalled a favourable outlook for the property development sector. The announcement of wage increases and cost-of-living relief measures, such as the Sara RM100 scheme, is expected to raise households' disposable income and drive demand for affordable and mid-range residential properties. In the statement, UEM Sunrise said Malaysia recorded a 4.4% GDP growth in the first quarter, with a stronger ringgit anticipated to ease development costs, particularly for imported materials. (*The Edge*)

AME REIT: Net property income up 11.5% on new acquisitions, higher rental rates

AME Real Estate Investment Trust recorded a 11.5% increase in net property income (NPI) for its first quarter ended June 30, 2025 (1QFY2026), contributed by two new property acquisitions and higher rental rates from tenancy renewals. The industrial REIT's NPI rose to RM12.7m in 1QFY2026, from RM11.4m a year before. Revenue climbed 14.7% to RM14.1m from RM12.3m, according to its filing with Bursa Malaysia. Distributable income for the quarter rose 7.1% to RM10.3m from RM9.7m a year ago. The REIT announced a distribution of 1.96 sen per unit, up from 1.84 sen last year, which will be payable to unitholders August 29. (*The Edge*)

TT Vision: Lease industrial plot in Bayan Lepas for new manufacturing facility

TT Vision Holdings Bhd entered into an agreement with the Penang Development Corporation (PDC) on Wednesday to lease a 3.6-acre industrial plot in the Bayan Lepas Industrial Park. The 60-year lease carries a total consideration of RM25.1m and is subject to the Penang state authority's approval for conversion of the land title from leasehold to freehold, TT Vision said in a filing with Bursa Malaysia. The company plans to develop the site into a new manufacturing facility focused on producing equipment for the semiconductor, solar and battery industries. The project forms part of its broader expansion strategy, as its current production capacity is expected to be fully utilised by 2027, the company said. (*The Edge*)

UOA REIT: Improved occupancies lift 2Q net rental income; declares higher distribution

UOA Real Estate Investment Trust, which mainly manages commercial properties, saw its net rental income increase 8.9% to RM17.9m for the second quarter ended June 30, 2025 (2QFY2025), compared with RM16.5m a year ago, driven by improved occupancies. The trust declared an interim income distribution of 3.03 sen per unit for 2QFY2025, up from 2.9 sen a year ago. It expects office space demand to improve gradually, supported by its completed and ongoing asset enhancement initiatives aimed at revitalising older buildings through 2025. In its bourse filing on Wednesday (July 23), UOA REIT also reaffirmed its focus on yield-accretive acquisitions aligned with strategic objectives, while maintaining gearing within regulatory thresholds. (*The Edge*)

HI Mobility: Denies wage cuts for Causeway Link drivers

HI Mobility Bhd has denied claims that it reduced the salaries of its cross-border bus drivers, stating that all payments have been made in full and in accordance with employment contracts and statutory regulations. The Johor-based public transport company was responding to media reports alleging wage cuts following a walkout by some of its drivers operating under the Causeway Link brand on Monday. Causeway Link provides bus services between Johor Bahru and Singapore. The bus driver strike caused HI Mobility's share price to decline as much as 4.4% to RM1.74 on Wednesday, before recouping part of the losses to close at RM1.79, down three sen or 1.7%, for a market capitalisation of RM895m. (*The Edge*)

Supermax Corp: Court grants Supermax boss adjournment in suit by wife pending closed-door hearing request

The High Court here has granted an adjournment in the high-profile defamation suit filed by Datuk Wira Cheryl Tan Bee Geok against her husband, Supermax Corp Bhd founder and chairman Datuk Seri Stanley Thai, pending a hearing on a protective order application to hold the trial behind closed doors. High Court Judicial Commissioner Eddie Yeo Soon Chye allowed the application to be heard and vacated the previously scheduled trial dates of July 23, 30 and 31. "The court has considered submissions from both parties. In exercising its discretion, the court rules that the protective order application will be heard expeditiously," said Yeo. (*The Edge*)



Northern Solar: Expands beyond rooftops with utility-scale solar push

NORTHERN Solar Holdings Bhd sees compelling catalysts for business expansion amid Malaysia's power tariff reforms that shift the cost burden to high-usage consumers like data centres with projected electricity cost increases of up to 15%, thus enhancing the appeal of alternatives. Better known for its strengths in the commercial and industrial (C&I) rooftop solar segment, Northern Solar is entering the utility-scale solar space with a strategic focus on Corporate Renewable Energy Supply Scheme (CRESS) and Large Scale Solar (LSS) opportunities. "This is a new vertical for us, but one that we are both technically equipped and financially ready to pursue," says Northern Solar managing director Lew Shoong Kai. He cites robust demand for large-scale solar, operational readiness and a strengthened balance sheet post-listing as key catalysts for the group's expansion. "We are confident [of getting] some market share in the utility-scale solar space," he adds. (*The Edge*)

Upcoming key economic data releases	Date
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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