



# Daily Newswatch

## Market Review

The FBM KLCI ended last week on a strong note, closing at its intraday high and outperforming regional peers. Sentiment was buoyed by the formal announcement of the 13th Malaysia Plan (13MP) and renewed developments in U.S. trade tariff policy, which acted as dual tailwinds for the market. The local index maintained its gains into the midday break, though momentum consolidated in the afternoon session, supported by rising expectations of U.S. monetary policy easing. This upward trajectory was underpinned by the confluence of domestic policy catalysts and evolving global trade dynamics. Among key index constituents, top gainers included TENAGA (+4.4%), NESTLE (+3.4%), and PPB (+3.6%). By sector, Plantation (+1.1%) led the advance, followed by Construction (+0.8%) and Financials & Services (+0.5%). Market breadth was positive, with 541 gainers outpacing 448 losers.

Asian equities closed lower last week, sentiment shifted on Aug 8 as the August 12 deadline approached for extending the US-China trade truce. Technology counters bore the brunt of the sell-off, with Semiconductor Manufacturing International Corp (SMIC) sliding almost 8% on profit-taking and valuation concerns. Consumer and tourism-related stocks also came under pressure, with Mixue Group, Trip.com, and Sands China posting notable losses. Consequently, the SHANGHAI CI edged down 0.1% to 3,635.1, while the HSI dropped 0.9% to close at 24,858.8.

European stocks extended their gains into Friday last week, with major indices closing higher. The DAX rose 1%, while the Eurozone's benchmark STOXX 50 added 0.3% to finish at 5,347.7. Sentiment was buoyed by optimism surrounding the meeting between U.S. President Donald Trump and Russian President Vladimir Putin, as investors hoped the talks might produce constructive outcomes, potentially paving the way for a ceasefire between Moscow and Kyiv.

US equities ended the week higher, buoyed by optimism over artificial intelligence and easing trade policy concerns. The DOW climbed 0.5%, the S&P 500 added 0.8%, and the NASDAQ with a 1.0% gain. Sentiment improved after the Trump administration signalled it will exempt the semiconductor sector from steep tariffs if companies commit to US investments, leaving a crucial tech and AI segment largely unaffected. Apple rallied 4.2% for a third consecutive session after pledging increased US investment at a White House meeting. Other large-cap tech gainers included Netflix, Alphabet, and Meta. Expedia surged 4.1% after raising its annual earnings and revenue forecasts, citing robust advertising sales and strong business-to-business bookings.

## Macro Snapshots

- US:** Adds surprise gold bar tariff in blow to Switzerland, FT says
- US:** Trump reaches peace deal to end Armenia, Azerbaijan fighting
- US:** Inflation to rise as higher tariffs feed through
- CN:** July factory-gate prices miss forecast, deflation concerns persist
- MY:** SST on imported fruits to curb smuggling, boost local produce, Anwar says
- MY:** Consumer spending, wholesale trade pick up in June, official data show

## Corporate Snapshots

- NADIBHD:** Seven Idaman affordable housing projects to be built by Gagasan Nadi Cergas, PNSB until 2030
- BURSA:** To fully transition to electronic CDS account statements, notices from Aug 25

Key Indices	Last Close	Daily chg %	YTD chg %
FBM KLCI	1,557.0	0.5	(5.2)
Dow Jones	44,175.6	0.5	3.8
Nasdaq CI	21,450.0	1.0	11.1
S&P 500	6,389.5	0.8	8.6
SX5E	5,347.7	0.3	9.2
FTSE 100	9,095.7	(0.1)	11.3
Nikkei 225	41,820.5	1.9	4.8
Shanghai CI	3,635.1	(0.1)	8.5
HSI	24,858.8	(0.9)	23.9
STI	4,239.8	(0.4)	11.9
Market Activities	Last Close	% Chg	
Vol traded (m shares)	2,427.8	10.0	
Value traded (RM m)	2,224.5	(5.3)	
Gainers	541		
Losers	448		
Unchanged	494		
Top 5 Volume	Last Close	Daily chg %	Vol (m)
EKOVEST	0.395	(2.5)	78.2
TANCO	0.765	(0.6)	55.3
TOPGLOV	0.595	(3.3)	54.5
TWL	0.025	0.0	52.5
PHARMA	0.180	2.9	44.2
Top 5 Turnover	Last Close	Daily chg %	Val (RM m)
CIMB	6.860	1.2	155.0
MAYBANK	9.610	(0.2)	103.1
TENAGA	13.800	0.3	90.0
PBBANK	4.330	0.9	67.6
SUNWAY	4.750	0.0	66.5
Currencies	Last Close	% Chg	
USD/MYR	4.245	0.0	
USD/JPY	147.630	0.1	
EUR/USD	1.165	0.0	
USD/CNY	7.180	0.0	
US Dollar Index	98.235	0.1	
Commodities	Last Close	% Chg	
Brent (USD/barrel)	66.2	(0.6)	
Gold (USD/troy oz)	3,388.5	(0.3)	
CPO (MYR/metric t)	4,214.0	0.3	
Bitcoin (USD/BTC)	119,195.9	0.7	



- **SKYWLD**: Buys RM83m land in Seberang Perai for modular housing factory
- **VLB**: Wins RM56m subcontract for Kelantan Palace building works
- **BJASSET**: Settles suit on aborted Sarawak gaming firm buy
- **FAVCO**: Wins RM77.6m in new cranes orders
- **PARAMON**: Snaps up land in Kulim for RM128.7m, to develop RM946m township

## Macro News

### US: Adds surprise gold bar tariff in blow to Switzerland, FT says

The US has put tariffs on imports of 1kg gold bars, according to the *Financial Times (FT)*, threatening more turmoil in the global bullion market and dealing a fresh trade blow to the precious metals hub of Switzerland. The move, which the *FT* said was detailed in a July 31 ruling from the US Customs and Border Protection (CBP) agency, is the latest surprise from US President Donald Trump's campaign to reshape global trade. Gold futures in New York surged to a record high. Bullion traders had expected gold bars of 1kg or 100 ounces to be exempt from Trump's other tariffs, including the shock 39% country rate he put on Switzerland. But the CBP decision instead placed those items under customs codes that are subject to levies, according to the *FT*, which cited a letter that laid out the ruling. (*Bloomberg*)

### US: Trump reaches peace deal to end Armenia, Azerbaijan fighting

President Donald Trump signed a joint peace declaration with the leaders of Azerbaijan and Armenia aimed at ending decades of war and reached pacts giving the US exclusive rights to develop a transit route through the South Caucasus. "With this accord, we've finally succeeded in making peace," Trump said in the White House meeting Friday. US officials portrayed the agreements as a win for Washington and a setback for Russia, Iran and China. While the peace declaration doesn't carry the legal force of a treaty, all the leaders expressed confidence its terms would hold. (*Bloomberg*)

### US: Inflation to rise as higher tariffs feed through

US consumers probably experienced a slight pickup in underlying inflation in July as retailers gradually raised prices on a variety of items subject to higher import duties. The core consumer price index, regarded as a measure of underlying inflation because it strips out volatile food and energy costs, rose 0.3% in July, according to the median projection in a *Bloomberg* survey of economists. In June, core CPI edged up 0.2% from the prior month. While that would be the biggest gain since the start of the year, Americans — at least those who drive — are finding some offset at the gas pump. Cheaper gasoline probably helped limit the overall CPI to a 0.2% gain, the government's report on Tuesday is expected to show. (*Bloomberg*)

### CN: July factory-gate prices miss forecast, deflation concerns persist

China's producer prices fell more than expected in July, while consumer prices were unchanged, underscoring the impact of sluggish domestic demand and persistent trade uncertainty on consumer and business sentiment. Factory-gate prices have been declining for more than two years, and Saturday's data suggest early-stage efforts to tackle price competition have yet to yield significant results. Deflationary pressures have prompted Chinese authorities to address overcapacity in key industries. However, the latest round of industrial restructuring appears to be a pared-down version of the sweeping supply-side reforms launched a decade ago that were pivotal in ending a deflationary spiral. (*Reuters*)

### MY: SST on imported fruits to curb smuggling, boost local produce, Anwar says

Extending the sales and service tax (SST) to imported fruits is part of the government's efforts to curb ongoing smuggling in border states, said Prime Minister Datuk Seri Anwar Ibrahim. Anwar, who is also finance minister, said that the move is also intended to encourage the public to prioritise local fruits. "Some people are unhappy about the tax on imported fruits, but this is my way of ensuring that people choose local produce. "Otherwise, smuggling will continue through border areas such as Sungai Golok in Kelantan, Bukit Kayu Hitam in Kedah, and Wang Kelian and Padang Besar in Perlis. (*Bernama*)

### MY: Consumer spending, wholesale trade pick up in June, official data show

Malaysia's consumer spending and wholesale trade picked up in June thanks to festive celebrations, official data on Friday showed. Wholesale and retail trade, including vehicle sales, grew 4.8% when compared to the same month last year and totalled RM153bn in June, according to the Department of Statistics Malaysia (DOSM). That compares to May's 4.4% year-on-year gain. On a month-on-month basis, the value of distributive sales contracted 0.9% in June. The expansion "reflects continued domestic consumption activity, further supported by festive celebration such as Aidiladha, and mid-year school holidays", said chief statistician Datuk Seri Mohd Uzir Mahidin. (*The Edge*)



## Corporate News

### **NADIBHD: Seven Idaman affordable housing projects to be built by Gagasan Nadi Cergas, PNSB until 2030**

Gagasan Nadi Cergas Bhd and Permodalan Negeri Selangor Bhd (PNSB) are on track to deliver over 15,000 Idaman affordable housing units over seven projects by 2030, according to Selangor Menteri Besar Datuk Seri Amirudin Shari in the key handover ceremony for the RM304m Rumah Idaman Bukit Jelutong on Friday. These projects are located in Kwasa Damansara, City of Elmina and Bandar Rimbayu. Together with Rumah Idaman Bukit Jelutong, the total gross development value (GDV) for all eight projects is RM4bn. There are three projects in Kwasa Damansara: Idaman Kwasa Damansara R4-1 (GDV: RM453.1m), Kwasa Damansara R4-2 (GDV: RM849m), and Kwasa Damansara R4-2A (GDV: RM1.2bn). Idaman Kwasa Damansara R4-1, which will consist of 1,669 units on 13.9 acres of land, has a take-up rate of 73%. The estimated completion date is set to be in 2027. (*The Edge*)

### **Bursa: To fully transition to electronic CDS account statements, notices from Aug 25**

Bursa Malaysia Bhd will implement the full adoption of electronic Central Depository System (CDS) account statements and notices (eStatements) for individual depositors effective Aug 25. The exchange said in a statement on Friday that the transition aims to enhance investor experience by providing faster and more secure access to CDS account-related information, while also reflecting its broader commitment to environmental sustainability. Notwithstanding this, Bursa will continue to issue hard-copy CDS statements and notices to specified depositors at no cost. (*Bernama*)

### **SKYWLD: Buys RM83m land in Seberang Perai for modular housing factory**

SkyWorld Development Bhd said the group on Friday entered into a deal to acquire 26.4 acres of freehold land in Seberang Perai Tengah, Penang, for RM82.7m. The land, to be acquired through its 70%-owned indirect subsidiary Prefab Master (Penang) Sdn Bhd, will be used to build a factory to manufacture prefabricated and prefinished modular systems, the property developer said in a statement. It added that the acquisition would support the previously announced affordable housing projects in Penang that the group is jointly undertaking with the Penang Development Corporation (PDC) and PDC Properties Sdn Bhd. (*The Edge*)

### **VLB: Wins RM56m subcontract for Kelantan Palace building works**

Vestland Bhd on Friday secured a RM56.4m subcontract to undertake the construction of the Kelantan Palace project in Kota Bharu. The job was awarded to the construction outfit's wholly owned subsidiary Vestland Resources Sdn Bhd by civil engineering firm Euro Saga Sdn Bhd, according to the group in a filing with Bursa Malaysia. "The scope of works to be carried out under the subcontract comprises the construction and completion of building works, mechanical services, electrical services and additional works for the Kelantan Palace," the filing read. (*The Edge*)

### **BJASSET: Settles suit on aborted Sarawak gaming firm buy**

Berjaya Assets Bhd said it has settled its suit over pulling out of a 2016 deal to acquire the remaining 50% stake in Sarawak gaming firm Megaquest Sdn Bhd. In an announcement on Bursa Malaysia, Berjaya Assets said that all parties involved in the suit had agreed to resolve the litigation on the basis of no admission of liability by way of a consent judgement. Tan Sri Vincent Tan Chee Yioun, Berjaya Assets' ultimate largest shareholder and one of the defendants of the suit, had agreed to pay the entire settlement sum pursuant to the consent judgement. (*The Edge*)

### **FAVCO: Wins RM77.6m in new cranes orders**

Crane specialist Favelle Favco Bhd said on Friday that its subsidiaries have secured six purchase orders to supply tower and offshore cranes worth a total of RM77.6m. Four of the contracts are for offshore cranes to be supplied by Favelle Favco Cranes (M) Sdn Bhd to Malaysia Marine and Heavy Engineering Sdn Bhd, Offshore Oil Engineering Co Ltd, PVD Trading and Technical Services Joint Stock Company, and Abu Adel Engineering and Mechanical Services. The remaining two contracts involve tower cranes, to be supplied by Shanghai Favco Engineering Machinery Manufacturing Co Ltd to Favco Heavy Industry (Changshu) Co Ltd, and by Favelle Favco Cranes (USA) Inc to Leavitt Cranes. (*The Edge*)

### **PARAMON: Snaps up land in Kulim for RM128.7m, to develop RM946m township**

Paramount Corp Bhd is buying four freehold land parcels in Bandar Lunas, Kulim — totalling 295.5 acres — for RM128.7m. The land will be developed into a township with an estimated gross development value (GDV) of RM946m. In a bourse filing on Friday, the property developer said its wholly-owned unit, Paramount Property (Seaview) Sdn Bhd, has signed a sale and purchase agreement with Golden Bluechip Sdn Bhd for the proposed acquisition. Located about four kilometres north of Phase 4A of the Kulim Hi-Tech Park (KHTP), Paramount said the acquisition will enable it to tap into KHTP's expansion plans and Kulim's potential population growth to launch a new township with residential, commercial and industrial properties, along with amenities. (*The Edge*)



Upcoming key economic data releases	Date
US – CPI (Jul)	Aug 12
US – PMI (Jul)	Aug 14
JP – GDP (Q2)	Aug 14
US – Core Retail Sales (Jul)	Aug 15
EU – CPI (Jul)	Aug 20
<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		

# Disclaimer & Disclosure of Conflict of Interest

The information contained in this report is based on data obtained from data and sources believed to be reliable at the time of issue of this report. However, the data and/or sources have not been independently verified and as such, no representation, express or implied, are made as to the accuracy, adequacy, completeness or reliability of the information or opinions in this report.

This report may contain forward-looking statements which are often but not always identified by the use of words such as “believe”, “estimate”, “intend” and “expect” and statements that an event or result “may”, “will” or “might” occur or be achieved and other similar expressions. Such forward-looking statements are based on assumptions made and information currently available to Mercury Securities Sdn Bhd. (“Mercury Securities”) and are subject to known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievement to be materially different from any future results, performance or achievement, expressed or implied by such forward-looking statements. Caution should be taken with respect to such statements and recipients of this report should not place undue reliance on any such forward-looking statements. Mercury Securities expressly disclaims any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or circumstances after the date of this publication or to reflect the occurrence of unanticipated events.

Accordingly, neither Mercury Securities nor any of its holding company, related companies, directors, employees, agents and/or associates nor person connected to it accept any liability whatsoever for any direct, indirect, or consequential losses (including loss of profits) or damages that may arise from the use or reliance on the information or opinions in this publication. Any information, opinions or recommendations contained herein are subject to change at any time without prior notice. Mercury Securities has no obligation to update its opinion or the information in this report.

This report does not have regard to the specific investment objectives, financial situation and particular needs of any specific person. Accordingly, investors are advised to make their own independent evaluation of the information contained in this report and seek advice from, amongst others, tax, accounting, financial planner, legal or other business professionals regarding the appropriateness of investing in any securities or the investment strategies discussed or recommended in this report. Nothing in this report constitutes investment, legal, accounting or tax advice or a representation that any investment or strategy is suitable or appropriate to your individual circumstances or otherwise represents a personal recommendation to you. This report is not intended, and should not under no circumstances be considered as an offer to sell or a solicitation of any offer or a solicitation or expression of views to influence any one to buy or sell the securities referred to herein or any related financial instruments.

Mercury Securities and its holding company, related companies, directors, employees, agents, associates and/or person connected with it may, from time to time, hold any positions in the securities and/or capital market products (including but not limited to shares, warrants and/or derivatives), trade or otherwise effect transactions for its own account or the account of its customers or be materially interested in any securities mentioned herein or any securities related thereto, and may further act as market maker or have assumed underwriting commitment or deal with such securities and provide advisory, investment, share margin facility or other services for or do business with any companies or entities mentioned in this report. In reviewing the report, investors should be aware that any or all of the foregoing among other things, may give rise to real or potential conflict of interests and should exercise their own judgement before making any investment decisions.

This research report is being supplied to you on a strictly confidential basis solely for your information and is made strictly on the basis that it will remain confidential. All materials presented in this report, unless specifically indicated otherwise, are under copyright to Mercury Securities. This research report and its contents may not be reproduced, stored in a retrieval system, redistributed, transmitted, or passed on, directly or indirectly, to any person or published in whole or in part, or altered in any way, for any purpose.

This report may provide the addresses of, or contain hyperlinks to websites. Mercury Securities takes no responsibility for the content contained therein. Such addresses or hyperlinks (including addresses or hyperlinks to Mercury Securities own website material) are provided solely for your convenience. The information and the content of the linked site do not in any way form part of this report. Accessing such website or following such link through the report or Mercury Securities’ website shall be at your own risk.

This report is not directed to or intended for distribution or publication outside Malaysia. If you are outside Malaysia, you should have regard to the laws of the jurisdiction in which you are located.

The views expressed in this research report accurately reflect the analyst’s personal views about any and all of the subject securities or issuers; and no part of the research analyst’s compensation was, is or will be, directly or indirectly, related to the specific recommendations or views expressed in the report.

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