



Daily Newswatch

Market Review

The FBMKLCI extended its rally on Monday, breaking above the 1,560 mark to close at 1,563.2. The advance was fuelled by renewed interest in data centre-related stocks, positive signals from U.S.–China trade negotiations, and rising expectations of a potential Federal Reserve rate cut at the upcoming FOMC meeting. Sentiment was further lifted by two key geopolitical developments: the anticipated 90-day extension of the U.S.–China tariff deadline beyond August 12, and optimism ahead of the August 15 Trump–Putin summit in Alaska, which could pave the way for progress in resolving the Ukraine conflict. Among the index constituents, the top 3 gainers were YTL (+2.4%), PETCHEM (+2.4%) and PBBANK (+1.6%). Sector wise, Health Care (+1.8%) led the gain, while Financial Services (+0.8%) and Construction (+0.7%) also recorded gains. Nonetheless, the overall market breath remained neutral with 513 gainers versus 480 losers.

Asian stocks saw modest gains in thin Monday trading, with Japan closed for a holiday. Investors awaited key U.S.–China economic data and the upcoming Trump–Putin meeting on August 15. The Shanghai CI rose 0.3% to 3,647.55, boosted by lithium producers after CATL halted production at a major mine, driving lithium carbonate prices higher. The HSI edged up 0.2% to 24,906.81, rebounding from early losses despite lingering China deflation worries. Market sentiment was also shaped by U.S.–China trade talks ahead of the August 12 deadline, with President Trump urging Beijing to quadruple U.S. soybean purchases, and reports that Nvidia and AMD agreed to give the U.S. government 15% of China sales revenue in exchange for export licenses.

The Euro Stoxx 50 slipped on Monday due to growing concerns over slowing economic growth in the Eurozone, driven by weaker-than-expected industrial output and lingering energy price pressures. Additionally, renewed geopolitical tensions and cautious investor sentiment ahead of key central bank meetings weighed on market confidence, prompting profit-taking and a pullback in cyclical stocks. As a result, the EU STOXX 50 declined 0.3% to finish at 5,331.9.

US equities dipped on Monday as investors awaited key inflation data scheduled for later in the week, overshadowing a positive development in the US-China tariff negotiations. The DOW fell 0.5%, while the S&P 500 and NASDAQ each slipped 0.3%. Market participants appeared underwhelmed despite President Trump's last-minute executive order extending the tariff pause on Chinese goods by 90 days, reflecting cautious sentiment amid ongoing trade uncertainties.

Macro Snapshots

- MY:** Records RM3.3bn approved investments in AI for January-June 2025, Gobind says
- MY:** Working with Senegal to deepen bilateral ties, Anwar says
- MY:** State govts should be given greater power to collect tax, says Terengganu MB
- MY:** Unemployment rate steady at 3.0% in June 2025, unemployed numbers drop to 518,700
- IN:** Trump's tariffs spark calls to boycott American goods
- IN:** RBI said to have sold at least US\$5bn to boost rupee

Corporate Snapshots

- DRBHCOM:** To acquire Spirit AeroSystems ops in Malaysia
- WCT:** Partners Maybank to give financial assistance to homebuyers
- WCT:** JV front runner for ECRL-Port Klang extension with MMC, say sources

Key Indices	Last Close	Daily chg %	YTD chg %
FBM KLCI	1,563.2	0.4	(4.8)
Dow Jones	43,975.1	(0.5)	3.4
Nasdaq CI	21,385.4	(0.3)	10.7
S&P 500	6,373.5	(0.3)	8.4
SX5E	5,331.9	(0.3)	8.9
FTSE 100	9,129.7	0.4	11.7
Nikkei 225	41,820.5	1.9	4.8
Shanghai CI	3,647.5	0.3	8.8
HSI	24,906.8	0.2	24.2
STI	4,232.8	(0.2)	11.8

Market Activities	Last Close	% Chg
Vol traded (m shares)	2,536.1	4.5
Value traded (RM m)	2,196.0	(1.3)
Gainers	545	
Losers	475	
Unchanged	391	

Top 5 Volume	Last Close	Daily chg %	Vol (m)
NEXG	0.375	(29.9)	188.0
CLASSITA	0.090	12.5	65.8
TANCO	0.745	(2.6)	49.9
MTOUCHE	0.020	100.0	43.4
TOPGLOV	0.610	2.5	36.9

Top 5 Turnover	Last Close	Daily chg %	Val (RM m)
MAYBANK	9.650	0.4	173.2
YTLPOWR	4.240	1.0	86.1
CIMB	6.940	1.2	86.1
GAMUDA	5.600	0.9	85.9
PBBANK	4.400	1.6	82.1

Currencies	Last Close	% Chg
USD/MYR	4.242	(0.2)
USD/JPY	148.210	(0.0)
EUR/USD	1.162	0.0
USD/CNY	7.189	(0.1)
US Dollar Index	98.491	(0.0)

Commodities	Last Close	% Chg
Brent (USD/barrel)	66.6	0.1
Gold (USD/troy oz)	3,350.4	0.2
CPO (MYR/metric t)	4,334.0	2.8
Bitcoin (USD/BTC)	118,722.0	(0.1)



- **CLASSITA:** To be renamed NexG Bina, former IGP Razarudin appointed chairman
- **INTA:** Bags RM265m apartment construction job
- **CHB:** Bags RM41m mechanical and electrical works from US-based MNC

Macro News

MY: Records RM3.3bn approved investments in AI for January-June 2025, Gobind says

Malaysia has successfully drawn approved investments totalling RM3.3bn for the artificial intelligence (AI) sector under the Digital Malaysia initiative for the period from January to June this year, with the potential to create approximately 6,920 job opportunities. Digital Minister Gobind Singh Deo said the achievement showed investor confidence in Malaysia's potential as a regional AI hub, thus strengthening the country's position in the global digital ecosystem. He said the contribution of AI and technology to the country's gross domestic product in 2023 was 23.5%, and the government targeted the contribution to grow to 25.5% by the end of 2025. *(Bernama)*

MY: Working with Senegal to deepen bilateral ties, Anwar says

Malaysia and Senegal are working to strengthen bilateral cooperation, particularly in trade, investment, haj, waqf, and halal industry, which hold significant potential for joint development. Prime Minister Datuk Seri Anwar Ibrahim said these areas were among key topics discussed during a courtesy call by Senegal's Minister of African Integration and Foreign Affairs, Yassine Fall, earlier on Monday. "We also exchanged views on various regional and international issues of mutual concern, including developments in the Middle East and the African continent," Anwar posted on Facebook. *(Bernama)*

MY: State govts should be given greater power to collect tax, says Terengganu MB

State governments should be allocated more taxation powers than currently provided under the law, said Terengganu Menteri Besar Datuk Seri Dr Ahmad Samsuri Mokhtar. Broader taxation would allow states to secure greater revenue than the current framework, under which corporate and personal income taxes are collected solely by the federal government, Ahmad Samsuri (PN-Kemaman) said on Monday's Dewan Rakyat debate on the 13th Malaysia Plan. "This ensures that if the political alignment between state and federal governments differs, it does not affect the state's development or the well-being of its people," he said. *(The Edge)*

MY: Unemployment rate steady at 3.0% in June 2025, unemployed numbers drop to 518,700

June's unemployment rate held at 3.0%, with unemployed numbers declining to 518,700, according to the Labour Force Statistics for June and Second Quarter of 2025, released on Monday. Chief Statistician Datuk Seri Dr Mohd Uzir Mahidin said the labour market maintained its positive growth momentum in June, driven by the national economy's continued expansion. "This was reflected in a steady rise in employment and a further decline in unemployment. Thus, the labour force continued its upward trend in June 2025, increasing by 0.3% month-on-month to 17.4m persons. *(Bernama)*

IN: Trump's tariffs spark calls to boycott American goods

From McDonald's and Coca-Cola to Amazon and Apple, US-based multinationals are facing calls for a boycott in India as business executives and Prime Minister Narendra Modi's supporters stoke anti-American sentiment to protest against US tariffs. India, the world's most populous nation, is a key market for American brands that have rapidly expanded to target a growing base of affluent consumers, many of whom remain infatuated with international labels seen as symbols of moving up in life. India, for example, is the biggest market by users for Meta's WhatsApp and Domino's has more restaurants than any other brand in the country. Beverages like Pepsi and Coca-Cola often dominate store shelves, and people still queue up when a new Apple store opens or a Starbucks cafe doles out discounts. *(Reuters)*

IN: RBI said to have sold at least US\$5bn to boost rupee

India's central bank sold US dollars across both onshore and offshore currency markets this month to prop up the rupee as it weakened toward a record low, according to people familiar with the transactions. The Reserve Bank of India sold at least US\$5bn (RM21.2bn) worth of the US currency, one of the people said, asking not to be identified as the information is private. The RBI didn't immediately respond to an email requesting comment on the matter. If the trend persists, it could become RBI's largest month of net dollar sales since January. The rupee fell to 87.9 per dollar last week, just shy of its all-time low as US President Donald Trump doubled tariffs on Indian goods on Aug 6 to 50% as a penalty for its purchases of Russian oil. A weaker rupee could fuel imported inflation and strain an already fragile economic recovery. *(Bloomberg)*



Corporate News

DRBHCORP: To acquire Spirit AeroSystems ops in Malaysia

DRB-Hicom Bhd said on Monday that it is acquiring the Malaysian operations of aerospace manufacturer Spirit AeroSystems, in a deal that values the company at US\$95.2m (RM426.1m). Once the acquisition is completed by year end, Spirit AeroSystems Malaysia Sdn Bhd will be fully under the control of Composites Technology Research Malaysia Sdn Bhd, DRB-Hicom's wholly owned aerospace unit also known as CTRM, the company said in an exchange filing. The proposed acquisition is a "strategic opportunity to enhance CTRM's competitive position in the aerospace industry by enhancing its aerostructure expertise", DRB-Hicom said. (*The Edge*)

WCT: Partners Maybank to give financial assistance to homebuyers

WCT Land Sdn Bhd, the property development and property investment and management division of WCT Holdings Bhd, has partnered with Malayan Banking Bhd to extend the bank's MyDeco Financing and Maybank Green Home Financing to its homebuyers in particular schemes, it announced on Monday at the WCity OUG sales gallery here. Under this initiative, eligible buyers of the aforementioned projects can enjoy up to 95% financing, with an additional 5% margin to cover related costs such as legal fees and stamp duties under the Maybank Green Home Financing scheme. On top of that, Maybank's MyDeco Financing scheme also offers up to 30% in additional financing (capped at RM250,000) for home enhancements, including interior design and furnishings. (*The Edge*)

WCT: JV front runner for ECRL-Port Klang extension with MMC, say sources

A joint venture between construction firm WCT Holdings Bhd and MMC Corp Bhd is said to be the front runner in the bid to construct rail lines connecting the East Coast Rail Link's (ECRL) station in Jalan Kastam, Port Klang, directly to the two container ports in Selangor, namely Westports and Northport, sources say. The joint venture (JV), in which WCT owns 49% and MMC 51%, is among four firms that have submitted proposals to build the rail line extension of up to 25km, known as Section D. A win would mark WCT's big break into the track-laying segment, adding to its portfolio of highway and port projects in the infrastructure space. It has taken on projects involving MRT2 and LRT3, but these are mainly civil works, such as for the development of elevated stations. (*The Edge*)

Classita: To be renamed NexG Bina, former IGP Razarudin appointed chairman

Classita Holdings Bhd plans to change its name to NexG Bina Bhd after NexG Bhd became its largest shareholder. The company has also appointed former Inspector General of Police Tan Sri Razarudin Husain as its new independent, non-executive chairman. Classita, formerly known as Caely Holdings Bhd, said Razarudin's appointment is effective immediately. Razarudin, aged 62 this year, served as 14th IGP of Malaysia until his retirement in June 2025. He served the nation's police force for over four decades, starting when he began his career as a cadet inspector in 1982. (*The Edge*)

INTA: Bags RM265m apartment construction job

Inta Bina Group Bhd has bagged a RM264.5m contract to build two serviced apartment blocks in Segambut, Kuala Lumpur. The group said its wholly owned subsidiary, Inta Bina Sdn Bhd, accepted the contract on Monday from GDP Architects Sdn Bhd, acting on behalf of 368 Segambut Sdn Bhd — a joint venture between IJM Land Bhd and FCW Holdings Bhd. The 38-month contract will commence on Aug 18, said Inta Bina in a bourse filing. The group said the project will be funded through internally generated funds and external borrowings and is expected to contribute positively to its earnings over the contract period. (*The Edge*)

CHB: Bags RM41m mechanical and electrical works from US-based MNC

Critical Holdings Bhd has bagged a RM40.7m contract to undertake mechanical and electrical works for a new production floor fit up, including cleanroom architecture and process utilities. The Penang-based company, which specialises in mechanical, electrical and process utilities design and engineering services provider, did not name the company in a bourse filing. However, it said the contract was awarded on August 8 by a renowned US based multinational corporation which offers edge AI deployment that brings deep-learning to devices with ultra-low power neural decision processors and hardware agnostic machine learning models. (*The Edge*)



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

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