



# Daily Newswatch

## Market Review

The FBM KLCI closed higher on Thursday at 1,592.3, despite mixed regional markets, as investors awaited policy cues from the U.S. Federal Reserve's annual symposium and continued its upward momentum to close higher, driven by persistent buying in selected heavyweights amid mixed sentiment in regional markets. Among index constituents, the top gainers were PCHEM (+13.9%), NESTLE (+3.4%), and YTLPOWER (+1.9%), with market breadth at 513 gainers versus 522 losers. Sector-wise, Utilities (+2.2%) led the gains, followed by Industrial Products & Services (+1.8%) and Health Care (+0.4%).

Asian stocks ended mixed on Thursday, as investors turned cautious ahead of the U.S. Federal Reserve's annual Jackson Hole symposium, weighing prospects for future monetary policy. The Shanghai Composite rose 0.1% to 3,771.1, as Beijing pledged new measures to stabilize jobs and spending. Meanwhile, the Hang Seng Index dropped 0.2% to 25,104.6, in the absence of fresh catalysts before the Fed meeting.

The EURO STOXX 50 slipped on Thursday, despite stronger-than-expected corporate earnings from major European companies and resilient manufacturing-sector data. Investor caution over rising geopolitical tensions and the uncertainty surrounding upcoming central bank meetings outweighed optimism, leading the index to drop 0.2% to close at 5,462.2.

US equities ended lower on Thursday after disappointing Walmart earnings and hotter-than-expected jobless claims data, as focus turned to the Federal Reserve's closely watched gathering at Jackson Hole. As a result, the Dow fell 0.3%, the Nasdaq slipped 0.3%, and the S&P 500 declined 0.4%.

## Macro Snapshots

- US:** Jobless claims rise, adding to signs of slowing labour market
- US:** Business activity picks up in August, factories lead the way, survey finds
- US:** Existing home sales tick up unexpectedly in July
- IN:** Business activity fastest in at least two decades, price rises sharp, PMI shows
- EU:** Lock in trade deal; US official sees auto tariff relief in weeks
- UK:** Tax receipts push July deficit to three-year low

## Corporate Snapshots

- BNASTRA:** Bags RM132m piling job in Johor Bahru
- NCT:** Major shareholders to inject industrial park developer for RM490m in shares, RCPS
- CITAGLB:** Bags RM168m JKR contract to expand Kelantan-Terengganu federal road
- EPB:** In JVs to expand food processing machinery biz in Southeast Asia
- HEXTECH:** Cancels RM31m Nilai land sale to Widad; parties to reassess terms under new deal
- IVORY:** Says group CEO cooperating with MBI investigations

Key Indices	Last Close	Daily chg %	YTD chg %
FBM KLCI	1,592.9	0.3	(3.0)
Dow Jones	44,785.5	(0.3)	5.3
Nasdaq CI	21,100.3	(0.3)	9.3
S&P 500	6,370.2	(0.4)	8.3
SX5E	5,462.2	(0.2)	11.6
FTSE 100	9,309.2	0.2	13.9
Nikkei 225	42,610.2	(0.6)	6.8
Shanghai CI	3,771.1	0.1	12.5
HSI	25,104.6	(0.2)	25.1
STI	4,230.9	0.3	11.7

Market Activities	Last Close	% Chg
Vol traded (m shares)	2,674.1	4.7
Value traded (RM m)	2,868.0	14.7
Gainers	513	
Losers	522	
Unchanged	491	

Top 5 Volume	Last Close	Daily chg %	Vol (m)
TANCO	0.740	1.4	59.8
PCHEM	4.760	13.9	56.7
NEXG	0.450	15.4	49.4
LCTITAN	0.590	4.4	42.5
GPACKET	0.040	0.0	39.4

Top 5 Turnover	Last Close	Daily chg %	Val (RM m)
PCHEM	4.760	13.9	260.7
CIMB	7.450	1.2	240.0
MAYBANK	9.780	(0.2)	149.6
PBBANK	4.450	(0.2)	131.4
GAMUDA	5.700	1.4	83.3

Currencies	Last Close	% Chg
USD/MYR	4.226	0.0
USD/JPY	148.340	0.0
EUR/USD	1.161	0.1
USD/CNY	7.181	(0.1)
US Dollar Index	98.619	0.4

Commodities	Last Close	% Chg
Brent (USD/barrel)	67.7	1.2
Gold (USD/troy oz)	3,339.7	0.0
CPO (MYR/metric t)	4,457.0	1.5
Bitcoin (USD/BTC)	112,486.5	0.1



## Macro News

### US: Jobless claims rise, adding to signs of slowing labour market

Applications for US unemployment benefits rose last week to the highest level since June and continuing claims climbed, adding to evidence the US labour market is slowing. Initial claims increased by 11,000 to 235,000 in the week ended Aug 16. The median forecast in a *Bloomberg* survey of economists called for 225,000 applications. Continuing claims, a proxy for the number of people receiving benefits, rose to 1.97 million in the week ended Aug 9, the highest since November 2021, according to Labor Department data released Thursday. (*Bloomberg*)

### US: Business activity picks up in August, factories lead the way, survey finds

US business activity picked up pace in August, led by a resurgent manufacturing sector that saw the strongest growth in orders in 18 months, a purchasing managers survey showed on Thursday. S&P Global's flash US Composite PMI Output Index, which tracks the manufacturing and services sectors, increased to 55.4 this month, the highest level since December, from 55.1 in July. A reading above 50 indicates expansion in the private sector. "A strong flash PMI reading for August adds to signs that US businesses have enjoyed a strong third quarter so far," Chris Williamson, chief business economist for S&P Global Market Intelligence, said in a statement. "The data are consistent with the economy expanding at a 2.5% annualised rate, up from the average 1.3% expansion seen over the first two quarters of the year." (*Reuters*)

### US: Existing home sales tick up unexpectedly in July

Sales of previously owned US homes ticked unexpectedly higher in July, but the pace of sales remains sluggish amid affordability issues for buyers thanks to high house prices and interest rates on mortgages. Home sales rose 2% last month to a seasonally adjusted annual rate of 4.01 million units from 3.93 million in June, the National Association of Realtors said on Thursday. Economists polled by Reuters had forecast home resales would be essentially unchanged from June at 3.92 million units. Sales edged up 0.8% on a year-over-year basis. NAR Chief Economist Lawrence Yun saw the data as suggesting that some relief in the factors that have weighed on home sales — high borrowing costs and prices and limited inventory — may be in the offing. The sales pace over the last two years has averaged right around 4 million units a month, a weaker rate than seen even during the 2007-2009 recession that was triggered by a collapse in the housing market. (*Reuters*)

### IN: Business activity fastest in at least two decades, price rises sharp, PMI shows

India private sector activity expanded at the fastest pace on record in August, fuelled by a robust surge in demand led by the dominant services sector, which allowed firms to hike prices at the fastest clip in over 12 years, a survey showed on Thursday. The latest results stand in contrast to expectations for a slowdown in economic growth in Asia's third-largest economy to average 6.4% this fiscal year after an unexpectedly strong 7.4% expansion during the first three months of 2025. HSBC's flash India Composite Purchasing Managers' Index (PMI), compiled by S&P Global, rose to 65.2 in August from 61.1, confounding expectations in a *Reuters* poll for a decline to 60.5. (*Reuters*)

### EU: Lock in trade deal; US official sees auto tariff relief in weeks

The United States and the European Union on Thursday locked in a framework trade deal reached last month that includes a 15% US tariff on most EU imports, including autos, pharmaceuticals, semiconductors and lumber. In a 3-1/2-page joint statement, the two sides listed the commitments made, including the EU's pledge to eliminate tariffs on all US industrial goods and to provide preferential market access for a wide range of US seafood and agricultural goods. Washington will take steps to reduce the current 27.5% US tariffs on cars and car parts, a huge burden for European carmakers, once Brussels introduces the legislation needed to enact promised tariff cuts on US goods, it said. (*Reuters*)

### UK: Tax receipts push July deficit to three-year low

The UK's budget deficit shrank more than expected in July as a deadline for paying self-assessed income tax boosted Treasury coffers, bringing temporary relief for Chancellor of the Exchequer Rachel Reeves. Spending exceeded revenue by £1.1 billion (US\$1.5 billion or RM6.3 billion) compared with £3.4 billion a year earlier, the Office for National Statistics (ONS) said on Thursday. It was the first year-on-year decline in borrowing since November and the lowest July borrowing for three years. The Office for Budget Responsibility (OBR) had forecast a £2.1 billion deficit. The undershoot will come as welcome relief for Reeves, who is facing another set of difficult decisions at the autumn budget. Previous months had disappointed, and the first borrowing estimate for June was revised higher in the latest release, but the July improvement helped correct that. (*Bloomberg*)



## Corporate News

### **BNASTRA: Bags RM132m piling job in Johor Bahru**

Builder Binastra Corp Bhd has secured a RM132 million contract from Exsim Lumba Kuda Sdn Bhd to carry out piling works for a new 63-storey serviced apartment project in Johor Bahru. In a filing with Bursa Malaysia on Thursday, Binastra said its wholly owned subsidiary Binastra Builders Sdn Bhd has accepted the letter of award for the piling works from Exsim on the Causewayz Square @ JBCC development, comprising 4,525 units across four residential towers. Construction is slated to begin on Sept 2, with completion expected within 16 months. This contract is set to provide an additional revenue stream for the group over the next two financial years ending Jan 31, 2026 and 2027. *(The Edge)*

### **NCT: Major shareholders to inject industrial park developer for RM490m in shares, RCPS**

NCT Alliance Bhd is to acquire its major shareholders' industrial park developer firm for RM490.26 million in shares and redeemable convertible preference shares (RCPS) to expand its development portfolio into industrial properties. The property developer inked a conditional share sale agreement with the Yap brothers, executive chairman and managing director Datuk Seri Yap Ngan Choy and executive director Datuk Yap Fook Choy, to acquire the entire equity interest in NCT World Sdn Bhd. NCT World is the developer of NCT Smart Industrial Park in the Integrated Development Region in South Selangor, and NCT InnoSphere within the Delapan Special Border Economic Zone, Kedah, according to the group's bourse filing on Thursday. *(The Edge)*

### **CITAGLB: Bags RM168m JKR contract to expand Kelantan-Terengganu federal road**

Engineering firm Citaglobal Bhd has secured a RM168.88 million contract from the Public Works Department (JKR) to upgrade a 7.25-kilometre stretch of the Federal Route 3 (FT3) highway along the Kota Bharu–Kuala Terengganu corridor. Citaglobal, in a statement on Thursday, said that the contract was awarded to its wholly-owned subsidiary Citaglobal Land Sdn Bhd (CLSB) following a competitive tender, which will involve widening the existing single carriageway road into a dual carriageway built to JKR standards. With the latest award, Citaglobal's order book has now expanded to RM1.3 billion and extended the group's earnings visibility over the next three years. *(The Edge)*

### **EPB: In JVs to expand food processing machinery biz in Southeast Asia**

EPB Group Bhd is partnering automated manufacturing technology group, Shenzhen Honglin Machinery Equipment Co Ltd, to expand its food processing machinery business in Southeast Asia. The food processing and packaging machinery solutions provider also announced a technology partnership with motor and drive technology firm Nidec Corp, to improve energy efficiency in its principal machinery offerings. In its filing, EPB said the partnership with Shenzhen Honglin entails the integration of robotics and Artificial Intelligence (AI)-enabled systems. *(The Edge)*

### **HEXTECH: Cancels RM31m Nilai land sale to Widad; parties to reassess terms under new deal**

Hextar Technologies Solutions Bhd has terminated its proposed sale of four adjoining parcels of vacant freehold industrial land in Nilai Industrial Estate, Negeri Sembilan, to Widad Development (Nilai) Sdn Bhd for RM31 million as both parties are reassessing terms for a potential a new deal. The deal, which was to be settled via share issuance by Widad Group Bhd, has been called off following a mutual reassessment. Under the initial agreement, Widad was to issue 993.65 million new shares at 3.15 sen apiece to Hextar Technologies, representing approximately 32% of Widad's total share capital. However, with Widad's current share price at 1.5 sen, the proposed issuance implied a steep premium. *(The Edge)*

### **IVORY: Says group CEO cooperating with MBI investigations**

Ivory Properties Group Bhd said its group chief executive officer Datuk Low Eng Hock is cooperating with the authorities in the ongoing MBI investigation. The investigation has not had any financial or operational impact on the company to date, the property developer said in a bourse filing on Thursday. Ivory Properties has been in Practice Note 17 (PN17) status since 2022 after its auditor flagged its ability to continue as a going concern. "The company further wishes to state that it has no additional information at this juncture pertaining to the said investigation," Ivory Properties said. *(The Edge)*



Upcoming key economic data releases	Date
Fed Chair Powell Speech	Aug 23
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		
Express Powerr Solutions (M) Bhd	ACE Market	0.20	180.0	65.4	8 Sep	24 Sep



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