



Daily Newswatch

Market Review

The FBM KLCI closed higher on Friday at 1,597.5, driven by persistent buying in selected heavyweights, led by telecommunications and media, as well as industrial products and services counters. Among index constituents, the top gainers were MAXIS (+4.1%), PPB (+3.1%), and PMETAL (+2.4%), with market breadth at 561 gainers versus 428 losers. Sector-wise, Technology (+2.1%) led the gains, followed by Telecommunications & Media (+1.2%) and Industrial Products & Services (+1.0%).

Asian stocks ended higher on Friday, noting that the index continues to consolidate above key support levels while sustaining a bullish structure. The Shanghai Composite rose 1.5% to 3,825.8, as Beijing pledged new measures to stabilize jobs and spending. Meanwhile, the Hang Seng Index rose 0.9% to 25,339.1.

The EURO STOXX 50 rose on Friday, supported by stronger-than-expected corporate earnings from major European companies and resilient manufacturing-sector data. These positive factors outweighed investor caution over rising geopolitical tensions and uncertainty surrounding upcoming central bank meetings, lifting the index 0.5% to close at 5,488.2.

US equities ended higher on Friday as Federal Reserve Chair Jerome Powell opened the door to a September rate cut during his highly anticipated speech at Jackson Hole. Fed Chair Powell raised the prospect of the central bank lowering interest rates in September on Friday, saying in his speech that "the baseline outlook and the shifting balance of risks may warrant adjusting our policy stance." As a result, the Dow increased 1.9%, the Nasdaq rose 1.9%, and the S&P 500 increased 1.5%.

Macro Snapshots

- US:** Powell's Jackson Hole signal on rates seen as good for one cut
- MY:** July inflation picked up as expected, amid insurance premium spikes
- MY:** Melaka logs RM855m in investments in 1Q, says CM
- JP:** Inflation hovers well above BOJ's goal even as it slows
- JP:** Ueda expects tightening job market to push up wages
- EU:** ECB's Lagarde says labour market has weathered recent shocks well

Corporate Snapshots

- IBHD:** Partners AgiBot to transform i-City into Malaysia's first AI, robotics centre
- IJM:** Signs supplementary concession for NPE extension worth RM1.4bn
- SIMEPROP:** Says Rehda in talks with govt on tax on construction services
- CENSOF:** Wins RM12m Housing Ministry contract for one-stop centre licensing system
- ITMAX:** Wins RM14m contract for Railway Assets Corp's CCTV upgrade
- PETGAS:** Says pipelines secure following Segamat quake

| Key Indices | Last Close | Daily chg % | YTD chg % |
|-------------|------------|-------------|-----------|
| FBM KLCI | 1,597.5 | 0.3 | (2.7) |
| Dow Jones | 45,631.7 | 1.9 | 7.3 |
| Nasdaq CI | 21,496.5 | 1.9 | 11.3 |
| S&P 500 | 6,466.9 | 1.5 | 10.0 |
| SX5E | 5,488.2 | 0.5 | 12.1 |
| FTSE 100 | 9,321.4 | 0.1 | 14.1 |
| Nikkei 225 | 42,633.3 | 0.1 | 6.9 |
| Shanghai CI | 3,825.8 | 1.4 | 14.1 |
| HSI | 25,339.1 | 0.9 | 26.3 |
| STI | 4,253.0 | 0.5 | 12.3 |

| Market Activities | Last Close | % Chg |
|-----------------------|------------|-------|
| Vol traded (m shares) | 2,634.9 | (1.5) |
| Value traded (RM m) | 2,704.1 | (5.7) |
| Gainers | 561 | |
| Losers | 428 | |
| Unchanged | 526 | |

| Top 5 Volume | Last Close | Daily chg % | Vol (m) |
|--------------|------------|-------------|---------|
| TANCO | 0.735 | (0.7) | 64.9 |
| ZETRIX | 0.895 | 2.3 | 52.2 |
| TWL | 0.025 | 0.0 | 50.3 |
| SFPTECH | 0.155 | 0.0 | 45.8 |
| MAGMA | 0.310 | (16.2) | 42.1 |

| Top 5 Turnover | Last Close | Daily chg % | Val (RM m) |
|----------------|------------|-------------|------------|
| MAYBANK | 9.800 | 0.2 | 202.3 |
| GAMUDA | 5.700 | 0.0 | 133.6 |
| CIMB | 7.460 | 0.1 | 129.7 |
| PCHEM | 4.820 | 1.3 | 101.2 |
| SUNCON | 6.090 | 4.1 | 95.8 |

| Currencies | Last Close | % Chg |
|-----------------|------------|-------|
| USD/MYR | 4.227 | (0.0) |
| USD/JPY | 147.210 | (0.2) |
| EUR/USD | 1.171 | (0.1) |
| USD/CNY | 7.168 | 0.2 |
| US Dollar Index | 97.807 | 0.1 |

| Commodities | Last Close | % Chg |
|--------------------|------------|-------|
| Brent (USD/barrel) | 67.8 | 0.1 |
| Gold (USD/troy oz) | 3,367.5 | (0.1) |
| CPO (MYR/metric t) | 4,453.0 | 1.4 |
| Bitcoin (USD/BTC) | 113,595.9 | 0.7 |



Macro News

US: Powell's Jackson Hole signal on rates seen as good for one cut

At a divided Federal Reserve (Fed), policymakers pushing for lower interest rates look close to getting their way after Chair Jerome Powell on Friday opened the door to a cut in September. The debate over what happens after that is likely to begin even before the Federal Open Market Committee meets Sept 16-17 in Washington. And there's no guarantee that more cuts will follow any time soon. Some officials will want multiple cuts, a second group will only commit to one move and still others will object to any cuts at all, said Stephen Stanley, chief US economist at Santander US Capital Markets LLC. (*Bloomberg*)

MY: July inflation picked up as expected, amid insurance premium spikes

Malaysia's headline inflation picked up slightly as expected amid a spike in insurance premiums and higher prices of restaurant and accommodation services, latest official data showed. The Department of Statistics Malaysia said the consumer price index, the country's main gauge of inflation, rose 1.2% in July when compared to the same month last year. A *Bloomberg* poll of economists also predicted a median increase of 1.2%. In June, the index was up 1.1% year-on-year. A group that includes insurance and financial services registered the sharpest increase, surging 5.5% in July versus a 1.5% gain in June. Hospital benefit insurance premiums accelerated nearly 15%, compared with only a 0.4% rise in June. (*The Edge*)

MY: Melaka logs RM855m in investments in 1Q, says CM

Melaka recorded investments worth RM855.63 million in the first quarter of this year, covering strategic sectors such as manufacturing and services. Chief Minister Datuk Seri Ab Rauf Yusoh attributed this to foreign direct investment (FDI) and domestic direct investment (DDI), which reached RM8.18 billion last year, surpassing the initial target of RM5 billion and positioning Melaka as a premier investment destination in the country. "At the same time, the state government is taking proactive steps through strategic developments such as the MCORP High Tech Park, German Technology Park (GTP) and ELKAY 2.0, which will serve as catalysts for high-tech industries, further supporting the RM10 billion investment target by 2030," he said. (*Bernama*)

JP: Inflation hovers well above BOJ's goal even as it slows

The pace of Japan's consumer inflation stayed well above the Bank of Japan's 2% target even as price growth moderated, supporting market speculation that the central bank will hike its benchmark interest rate again this year. Consumer prices excluding fresh food rose 3.1% from a year earlier in July, slowing from a 3.3% gain in the previous month, the Ministry of Internal Affairs and Communications reported Friday. The median estimate of economists was for the core CPI gauge to gain 3%, with expectations there would be a drag from energy prices after they spiked a year earlier. A deeper price measure that also strips out energy advanced 3.4%, unchanged from the previous period and matching the consensus estimate in a sign of underlying inflation momentum. (*Bloomberg*)

JP: Ueda expects tightening job market to push up wages

Bank of Japan governor Kazuo Ueda said wage hikes are spreading beyond large firms and likely to keep accelerating due to a tightening job market, signalling his optimism that conditions for another interest rate hike were falling into place. The remarks are likely to reinforce market expectations that the central bank will resume a rate hike cycle, which was put on pause due to concern over the fallout from US tariffs on the export-reliant economy, later this year. Despite Japan's dwindling working-age population, wage growth remained stagnant for decades due to "entrenched deflationary expectations" that discouraged companies from raising prices and pay, Ueda said at a panel held on Saturday during the Federal Reserve's annual conference in Jackson Hole, Wyoming. (*Reuters*)

EU: ECB's Lagarde says labour market has weathered recent shocks well

Europe's labour market has proved surprisingly resilient in the face of a once-in-a-generation inflation shock and aggressive interest-rate hikes, according to European Central Bank president Christine Lagarde. Employment expanded by 4.1% between the end of 2021 and mid-2025, nearly as much as the economy and roughly twice as much as an established economic rule would suggest, Lagarde said Saturday in Jackson Hole, Wyoming, where she's attending the Federal Reserve's annual symposium. She added that both global tailwinds and domestic strengths helped deliver such an outcome. "Inflation has fallen sharply, and at a remarkably low cost in terms of employment," she said in remarks prepared for a panel at the conference. "By understanding the sources of recent resilience, we can be better prepared for next shock, whatever shape it may take." (*Bloomberg*)



Corporate News

IBHD: Partners AgiBot to transform i-City into Malaysia's first AI, robotics centre

I Bhd (KL:[IBHD](#)) on Friday announced it is partnering with Chinese embodied AI company AgiBot Innovation (Shanghai) Technology to transform i-City into the nation's first AI and Robotics Experience Centre. Under the partnership, both parties are looking to unveil an AI & Robotics Experience Centre at i-City, Shah Alam by the end of this year, giving the public a first-hand introduction to embodied AI technologies. Beyond this, the roadmap includes integrating robotics into i-City's hospitality assets, followed by the launch of an AI Smart Tower—a wellness-focused property development that leverages AI and robotics to support smart wellness and contribute to extending human life, according to a press statement issued on Friday. (*The Edge*)

IJM: Signs supplementary concession for NPE extension worth RM1.4bn

IJM Corp Bhd has firmed up the RM1.40 billion project to extend the New Pantai Expressway (NPE) by 15 kilometres, after signing a supplementary concession agreement with the government. The extension, known as NPE2, will be a fully elevated highway connecting the Pantai Dalam Toll Plaza to Jalan Istana Interchange via Jalan Syed Putra, and will include a new toll plaza. The group said its unit New Pantai Expressway Sdn Bhd has signed a supplementary concession agreement with the government for the extension and toll rate restructuring, according to its bourse filing on Friday. (*The Edge*)

SIMEPROP: Says Rehda in talks with govt on tax on construction services

Sime Darby Property Bhd said the Real Estate and Housing Developers' Association (Rehda) is still in talks with authorities on the expansion of the sales and service tax that raised costs for developers. The company is still watching and assessing the potential impact on its new projects, group managing director Datuk Seri Azmir Merican said at a post-earnings briefing. For now, he reiterated that the company remains on track to achieve its sales target of RM3.6 billion for 2025. "We still need more clarity on how to address it between us and our contractors," Azmir said. "We want to understand it a little better and, once we do, we can work with our contractors to achieve better alignment and determine the extent of the impact." (*The Edge*)

CENSOF: Wins RM12m Housing Ministry contract for one-stop centre licensing system

Censof Holdings Bhd has secured a RM12.4 million contract from the Ministry of Housing and Local Government to develop a one-stop centre licensing system for local authorities. In a filing with Bursa Malaysia, the group said its wholly owned subsidiary Century Software (Malaysia) Sdn Bhd had accepted the letter of award from the ministry's Local Government Department on Friday. The project carries a tenure of 24 months, running from Sept 1, 2025 to Aug 31, 2027, with no extension or renewal option upon completion. (*The Edge*)

ITMAX: Wins RM14m contract for Railway Assets Corp's CCTV upgrade

ITMAX System Bhd has secured a RM14.4 million contract from Railway Assets Corp (RAC) to upgrade and maintain closed-circuit television (CCTV) infrastructure across RAC's railway network. RAC is a federal statutory body under the Transport Ministry that manages, administers and develops the country's railway assets. This marks the third contract secured by ITMAX in August. Earlier this month, the group bagged two smart parking system contracts from Shah Alam City Council and Subang Jaya City Council via its 70%-owned subsidiary Selmax Sdn Bhd. (*The Edge*)

PETGAS: Says pipelines secure following Segamat quake

Petronas Gas Bhd confirmed that all pipeline infrastructure and facilities within the affected region remain fully secure and operational following a minor earthquake that occurred near Segamat, Johor, Sunday morning. "Upon receiving notification of the tremor, our technical and regional teams promptly implemented standard safety protocols that are already in place for such events across the southern region," the oil and gas company said in a statement on Sunday. As part of these established procedures, Petronas Gas said checks were carried out at the Segamat Compressor Station, Segamat Control Station and along the relevant pipeline right-of-way. (*Bernama*)



| Upcoming key economic data releases | Date |
|-------------------------------------|--------|
| US Durable Goods Orders MoM | Aug 26 |
| US GDP Growth Rate QoQ | Aug 28 |
| US Core PCE Price Index MoM | Aug 29 |
| US Personal Income MoM | Aug 29 |
| US Personal Spending MoM | Aug 29 |
| <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 | | |
| Express Powerr Solutions (M) Bhd | ACE Market | 0.20 | 180.0 | 65.4 | 8 Sep | 24 Sep |



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