



Daily Newswatch

Market Review

The FBM KLCI closed lower on Thursday at 1,587.1, extending its recovery at Thursday's open, which was initially helped by Wall Street's positive performance, although Nvidia's decline in after-hours trading cap sentiment. Blue chips on the local benchmark index continued to retrace higher after Tuesday's slump as investors took profits from overbought valuations. However, late selling dragged the market lower amid cautious sentiment, bucking gains across most regional indices. Among index constituents, the top laggards were PETDAG (-3.8%), YTL (-3.4%), and MRDIY (-3.2%), with market breadth at 519 gainers versus 580 losers. Sector-wise, Technology (-1.3%) led the losers, followed by Healthcare (-1.3%) and Telecommunications & Media (-1.0%).

Asian stocks ended mixed on Thursday, with technology shares treading water as investors digested somewhat mixed earnings from artificial intelligence giant Nvidia Corp. The Shanghai Composite rose 1.1% to 3,843.6. Meanwhile, the Hang Seng Index dropped 0.8% to 24,998.8, weighed down by steep losses in food delivery giant Meituan and its rivals.

The EURO STOXX 50 ended higher on Thursday, as stronger-than-expected corporate earnings from major European companies and resilient manufacturing-sector data outweighed investor caution over rising geopolitical tensions and uncertainty surrounding upcoming central bank meetings. The index increased 0.1% to close at 5,396.7.

US equities ended higher on Thursday as Wall Street weighed signs of a resilient economy and the move by Federal Reserve governor Lisa Cook to sue President Trump, while the dust settled on Nvidia's earnings. Consequently, the Dow increased 0.2%, the S&P 500 to increased 0.3%, and the Nasdaq to edge 0.5% higher. Market sentiment was supported by strong economic data and ongoing enthusiasm for artificial intelligence, despite mixed signals from Nvidia's latest results. The chipmaker reported a 56% surge in quarterly revenue but excluded potential China sales from its forecast, leaving the stock slightly lower even as analysts raised price targets and reaffirmed confidence in AI-driven growth. US GDP was revised up to a 3.3% annualized pace in the second quarter, and jobless claims came in lower than expected, easing recession concerns.

Macro Snapshots

- US:** Economy expands at revised 3.3% rate on stronger investment
- US:** Weekly jobless claims fall amid low layoffs
- MY:** Sarawak intensifying collaboration with Penang in semiconductor industry, says deputy premier
- CN:** Defying West, Xi gathers Putin, Kim Jong Un, leaders of other heavily sanctioned countries at Sept 3 military parade
- RU:** Eyes China trade revival as Putin prepares for Xi summit, Reuters reports
- KR:** Keeps rates unchanged on debt risks, flags US headwinds

Corporate Snapshots

- INTA:** Secures RM68m residential construction job in Cyberjaya
- EDGENTA:** In talks with govt to revive medical equipment replacement programme
- MAYBANK:** Issues RM1.8bn subordinated sukuk under RM30bn programme
- WINSTAR:** Plans special issue of 41.4m shares to comply with Bumiputera equity
- AXIATA:** Asset sales to pare debt face delays amid unfavorable market conditions
- THPLANT:** Axed TH Plantations CEO Mohamed Zainurin to appeal termination

Key Indices	Last Close	Daily chg %	YTD chg %
FBM KLCI	1,587.1	(0.1)	(3.4)
Dow Jones	45,636.9	0.2	7.3
Nasdaq CI	21,705.2	0.5	12.4
S&P 500	6,501.9	0.3	10.5
SX5E	5,396.7	0.1	10.2
FTSE 100	9,216.8	(0.4)	12.8
Nikkei 225	42,828.8	0.7	7.4
Shanghai CI	3,843.6	1.1	14.7
HSI	24,998.8	(0.8)	24.6
STI	4,253.8	0.2	12.3

Market Activities	Last Close	% Chg
Vol traded (m shares)	2,920.1	(5.5)
Value traded (RM m)	2,922.7	(0.4)
Gainers	519	
Losers	580	
Unchanged	464	

Top 5 Volume	Last Close	Daily chg %	Vol (m)
SIME	1.950	2.6	78.7
BORNOIL	0.005	0.0	75.9
TANCO	0.725	0.7	73.6
ZETRIX	0.870	0.0	65.7
EKOVEST	0.375	(2.6)	47.0

Top 5 Turnover	Last Close	Daily chg %	Val (RM m)
SIME	1.950	2.6	155.6
CIMB	7.450	(0.1)	133.1
PPB	9.950	1.6	110.1
PBBANK	4.280	(1.2)	108.2
PPB	9.390	7.9	104.7

Currencies	Last Close	% Chg
USD/MYR	4.217	0.4
USD/JPY	146.980	(0.0)
EUR/USD	1.168	(0.0)
USD/CNY	7.131	0.3
US Dollar Index	97.813	(0.4)

Commodities	Last Close	% Chg
Brent (USD/barrel)	68.6	0.8
Gold (USD/troy oz)	3,417.5	0.0
CPO (MYR/metric t)	4,365.0	(0.2)
Bitcoin (USD/BTC)	112,384.7	0.4



Macro News

US: Economy expands at revised 3.3% rate on stronger investment

The US economy expanded in the second quarter at a slightly faster pace than initially estimated on a pickup in business investment and an outside boost from trade. Inflation-adjusted gross domestic product, which measures the value of goods and services produced in the US, increased at a 3.3% annualised pace, the second estimate from the Bureau of Economic Analysis showed Thursday. That compared with an initially reported 3% increase. Business investment expanded at a 5.7% pace after surging in the first quarter. The latest figure was stronger than the 1.9% initially reported and reflected an upward revision to investment in transportation equipment and the strongest advance in intellectual property products in four years. *(Bloomberg)*

US: Weekly jobless claims fall amid low layoffs

The number of Americans filing new applications for jobless benefits fell last week, but tepid hiring could raise the unemployment rate to 4.3% in August. Initial claims for state unemployment benefits decreased 5,000 to a seasonally adjusted 229,000 for the week ended August 23, the Labor Department said on Thursday. Economists polled by *Reuters* had forecast 230,000 claims for the latest week. The labour market is stuck in a no-hire, no-fire mode amid President Donald Trump's protectionist trade policy, which has raised the nation's average import duty to its highest in a century. Employment gains averaged 35,000 jobs per month over the last three months compared to 123,000 during the same period in 2024, the government reported in early August. *(Reuters)*

MY: Sarawak intensifying collaboration with Penang in semiconductor industry, says deputy premier

Sarawak is intensifying strategic cooperation with Penang in an effort to strengthen the country's semiconductor industry supply chain and ecosystem, particularly in the electrical and electronics (E&E) sector. Deputy Premier Datuk Amar Awang Tengah Ali Hassan said the cooperation and close relationship between the two states in sharing expertise and strength in the semiconductor industry is seen as capable of driving Malaysia's aspirations to emerge as a regional high-tech hub. He said the two states are also focusing on efforts to complete the entire semiconductor supply chain including research and development (R&D), talent development and supporting infrastructure. *(Bernama)*

CN: Defying West, Xi gathers Putin, Kim Jong Un, leaders of other heavily sanctioned countries at Sept 3 military parade

Chinese President Xi Jinping will be flanked by leaders of some of the world's most heavily sanctioned nations — Russia, North Korea, Iran and Myanmar — at a military parade next week in Beijing, in a show of solidarity against the West. Russian President Vladimir Putin and North Korea's Kim Jong-Un will attend "Victory Day" parade on Sept 3 marking the end of World War Two after Japan's formal surrender — the first time they have appeared in public alongside Xi. Iranian President Masoud Pezeshkian is also expected to be on the dais as tens of thousands of troops march through the Chinese capital, completing a quartet that Western political and economic analysts have described as the "Axis of Upheaval". *(Reuters)*

RU: Eyes China trade revival as Putin prepares for Xi summit, Reuters reports

Russia-China trade, which soared to record levels as the war in Ukraine left Moscow isolated, is now falling, a trend President Vladimir Putin is seeking to reverse as he prepares for a summit with President Xi Jinping, three Russian sources said. When Western partners cut ties with Russia after Moscow's invasion of Ukraine in February 2022, China came to the rescue, buying Russian oil and selling goods from cars to electronics that pushed bilateral trade to a record US\$245 billion (RM1.03 trillion) in 2024. Led by a slump in vehicle imports to Russia and a decline in oil exports to China, trade turnover was down 8.1% year-on-year from January to July 2025, Chinese customs data published last week showed. *(Reuters)*

KR: Keeps rates unchanged on debt risks, flags US headwinds

South Korea's central bank held policy interest rates steady for a second straight review on Thursday amid concerns about housing market risks, but flagged further easing to counter the hit to growth from US tariffs. The Bank of Korea's (BOK) monetary policy board voted 6-1 to keep its benchmark interest rate unchanged at 2.50%, in line with expectations. It also revised up growth forecast for this year to 0.9% from 0.8% previously, which would still mark the slowest expansion since 2020. "There is a big chance for the current easing stance to stay at least through the first half of next year, as growth is likely to stay low until the first half, in quarterly terms, before it reaches close to (the economy's) potential rate in the second half," BOK governor Rhee Chang-yong said in a news conference. *(Reuters)*



Corporate News

INTA: Secures RM68m residential construction job in Cyberjaya

Inta Bina Group Bhd clinched a RM67.79 million contract on Thursday to undertake the construction of houses in Cyberjaya. The project, located at Persiaran Simfoni in Symphony Hills, Cyber 9, involves the construction of 64 semi-detached houses measuring 36 by 80 ft and four semi-detached houses measuring 37 by 80 ft. The job is scheduled to commence on Aug 29, with a completion period of 20 months ending on April 28, 2027, according to Inta Bina's bourse filing. (*The Edge*)

EDGENTA: In talks with govt to revive medical equipment replacement programme

UEM Edgenta Bhd is in discussions with the government to revive the Replacement Through Maintenance (RTM) initiative, an alternative to the government directly procuring new equipment when existing machinery is past its lifespan, but still in use. The RTM programme, introduced in 2020, was designed as an alternative to outright procurement in managing biomedical equipment that has exceeded its lifespan but is still in use at hospitals and institutions. Under the scheme, concessionaires procure the equipment, such as CT scanners, fluoroscopy and x-ray machines, and lease them back to the Ministry of Health (MOH) under lease-to-use or lease-to-own arrangements. This allows hospitals to get updated technology without the government having to spend a large amount of capital upfront. (*The Edge*)

MAYBANK: Issues RM1.8bn subordinated sukuk under RM30bn programme

Malayan Banking Bhd has completed the issuance of RM1.8 billion in subordinated sukuk murabahah under the RM30 billion sukuk programme. Maybank said in a Bursa Malaysia filing on Thursday that the proceeds from the subordinated sukuk murabahah will be applied for shariah-compliant purposes. Specifically, it said this is to fund the issuer's investments in ringgit-denominated and foreign currency-denominated Islamic financial instruments approved by Bank Negara Malaysia's Shariah Advisory Council or the Securities Commission Malaysia's Shariah Advisory Council. (*Bernama*)

WINSTAR: Plans special issue of 41.4m shares to comply with Bumiputera equity

Winstar Capital Bhd has proposed a special Bumiputera share issue of up to 41.45 million new shares to investors approved by the Ministry of Investment, Trade and Industry (MITI), to comply with the Bumiputera equity requirement. The special issue of 41.45 million shares represents 12.5% of its enlarged issue share capital. The issue price will be determined at a later date, said the aluminium products manufacturer in a bourse filing. Winstar is required to allocate 12.5% of its enlarged number of issued shares to Bumiputera investors approved or recognised by MITI within five years after being listed on the ACE Market of Bursa Securities or one year after achieving the profit requirement for seeking listing on the Main Market of Bursa Securities. (*The Edge*)

AXIATA: Asset sales to pare debt face delays amid unfavorable market conditions

Axiata Group Bhd on Thursday flagged a possible delay in monetising its infrastructure assets, which includes its tower business edotco Group Sdn Bhd. Asset disposals are a part of its efforts to cut debt. Group chief executive officer and managing director Vivek Sood said that while asset disposals are a key strategy, the exercise might be delayed, not because they're not ready to move forward, but because the market isn't responding favourably at the moment. "Around the value illumination and monetisation strategy, while we may be keen to do that, I think the market environment is not very conducive for investors investing because they are very watchful of the risks in the global environment," Vivek said at an earnings briefing on Thursday. (*The Edge*)

THPLANT: Axed TH Plantations CEO Mohamed Zainurin to appeal termination

Former TH Plantations Bhd CEO Mohamed Zainurin Mohamed Zain has said that he will be appealing his termination, as he maintained his innocence against the company's claim of misconduct. Axed over alleged unauthorised payments of RM5.1 million to plantation workers, Mohamed Zainurin, through his advocate Marwan Abdullah, claimed that the sum comprised ex-gratia payments and arrears in salary made "within the authority and were justified". He also claimed that the sum was RM3.63 million, and not RM5.1 million as alleged. "This is because the purpose of the payments was for industrial harmony by providing fair and equal treatment between employees in the Malaysian Peninsula and Sabah and Sarawak, which had collectively contributed to the highest profit before tax within 10-year period as in 2024," the statement said. (*The Edge*)



Upcoming key economic data releases	Date
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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