



Daily Newswatch

Market Review

The FBM KLCI closed lower on Tuesday at 1,576.7, dragged by minor broad-based losses across Bursa Malaysia amid persistent selling pressure. All sectoral indices, apart from the Transportation & Logistics Index and Financial Services, ended in the red. On the currency front, the ringgit strengthened to 4.23 against the US dollar, reflecting cautious risk appetite and continued foreign outflows. Foreign investors were net sellers of Malaysian equities for the week, adding further downward pressure on the KLCI. Among index constituents, the top laggards were HAWK (-18.2%), TCHONG (-11.1%), and OXB (-11.0%), while market breadth was negative at 336 gainers versus 735 losers. Sector-wise, Utilities (-1.1%) led the losses, followed by Technology (-0.8%) and Property (-0.6%).

Asian stocks closed lower on Tuesday, with the Shanghai Composite slipping 0.5% to 3,858.1 and the Hang Seng Index falling 0.5% to 25,496.6, as investors took profits in technology and artificial intelligence shares after recent strong gains. Sentiment was further weighed by mixed signals from China's economy, where the fastest factory expansion in five months while the official measure pointed to a fifth straight contraction. Broader caution ahead of upcoming United States economic data and Federal Reserve policy decisions also kept markets subdued.

The EURO STOXX 50 fell 1.4% to 5,291.0 on Tuesday, as rising government bond yields and macroeconomic concerns outweighed the positive impact of stronger-than-expected corporate earnings and robust manufacturing data. Ongoing geopolitical tensions, uncertainty ahead of central bank meetings, and headwinds from a strong euro and comparatively modest earnings growth added to the cautious tone among investors.

US stocks closed lower on Tuesday due to a bond selloff that sent yields higher, driven by concerns over government debt and political pressure on the Federal Reserve. Investors also grew cautious ahead of Friday's jobs report, which could influence the path of interest rate cuts, while September's historically weak trend added to the bearish mood. Consequently, the Dow dropped 0.6%, the S&P 500 fell 0.7% and the Nasdaq lost 0.8%.

Macro Snapshots

- US:** Gold races to all-time high above US\$3,500 on US rate cut prospects
- US:** Fed rate-cut hopes lift Asian stocks, SE Asia political risks weigh
- MY:** Malaysia records RM1.73 tril in trade for first seven months — Matrade
- MY:** New tax incentive framework to drive high-value investments into Malaysia
- CN:** Russia, China sign major deal for new gas pipeline
- IN:** India's August palm oil imports surge 16% to 13-month high ahead of festive season

Corporate Snapshots

- KENERGY:** Kawan Renergy appoints Datuk Mohd Yusof Mohd Isa as chairman
- HARTA:** Hartalega sees flat to slight revenue growth despite glove demand matching Covid-19 levels
- ITMAX:** ITMAX bags third Selangor smart parking job deal

Key Indices	Last Close	Daily chg %	YTD chg %
FBM KLCI	1,576.7	0.1	(4.0)
Dow Jones	45,295.8	(0.5)	6.5
Nasdaq CI	21,279.6	(0.8)	10.2
S&P 500	6,415.5	(0.7)	9.1
SX5E	5,291.0	(1.4)	8.1
FTSE 100	9,116.7	(0.9)	11.5
Nikkei 225	42,310.5	0.3	6.1
Shanghai CI	3,858.1	(0.4)	15.1
HSI	25,496.6	(0.5)	27.1
STI	4,298.5	0.5	13.5

Market Activities	Last Close	% Chg
Vol traded (m shares)	2,900.3	(5.9)
Value traded (RM m)	2,790.2	(11.8)
Gainers	336	
Losers	735	
Unchanged	426	

Top 5 Volume	Last Close	Daily chg %	Vol (m)
TANCO	0.705	0.0	65.1
EKOVEST	0.345	(8.0)	62.9
CIMB	7.240	(2.6)	55.7
NEXG	0.490	0.0	33.6
SIME	2.020	(2.4)	31.1

Top 5 Turnover	Last Close	Daily chg %	Val (RM m)
CIMB	7.240	(2.6)	401.2
MAYBANK	10.060	1.6	145.0
PBBANK	4.300	0.7	92.6
GAMUDA	5.610	0.9	82.5
IJM	2.760	(3.8)	64.8

Currencies	Last Close	% Chg
USD/MYR	4.232	(0.0)
USD/JPY	148.570	(0.1)
EUR/USD	1.163	(0.1)
USD/CNY	7.138	(0.0)
US Dollar Index	98.402	0.0

Commodities	Last Close	% Chg
Brent (USD/barrel)	69.1	1.5
Gold (USD/troy oz)	3,529.4	(0.1)
CPO (MYR/metric t)	4,400.0	0.4
Bitcoin (USD/BTC)	111,245.3	(0.2)



- **NORTHERN:** Northern Solar bags RM20 mil solar with battery installation contract in Pahang
- **APB:** APB Resources appoints new CEO after management-led acquisition
- **OSK:** OSK Holdings to acquire Rawang land, eyeing potential development worth RM1.26 bil
- **SSB8:** Southern Score Builders' 51%-owned unit bags RM102.7m construction subcontract

Macro News

US: Gold races to all-time high above US\$3,500 on US rate cut prospects

Gold prices scaled the US\$3,500 (RM14,807) per ounce level to hit a record high on Tuesday, as mounting expectations for a US Federal Reserve interest rate cut this month lifted demand for the precious metal. Spot gold was steady at US\$3,475.33 per ounce as of 0756 GMT, after hitting a record high of US\$3,508.50 earlier in the session. Bullion has gained 32% so far this year. *(Reuters)*

US: Fed rate-cut hopes lift Asian stocks, SE Asia political risks weigh

Most Asian stocks rose on Tuesday as traders positioned for a potential U.S. Federal Reserve interest rate cut this month, though political uncertainties in Southeast Asia's two largest economies kept risk sentiment in check. Stocks in Indonesia, Southeast Asia's biggest economy, rose 1.3% in their biggest intraday percentage gain in three weeks, climbing for the first time since thousands of demonstrators clashed with police outside the House of Representatives late last week. The benchmark index had lost 1.6% by Monday's close since widespread protests against controversial election law changes began a week ago. *(The Star)*

MY: Malaysia records RM1.73 trillion in trade for first seven months — Matrade

Malaysia's trade performance continued to soar as the country's trade recorded its highest value of RM1.73 trillion, an increase of 4.7% for the period from January to July 2025 compared to RM1.65 trillion in the same period last year. Malaysia External Trade Development Corporation (Matrade) board member Datuk Mohammad Medan Abdullah said that of the total, the value of exports was RM900.47 billion and imports RM830.16 billion, with a trade surplus of RM70.31 billion. He said the performance was in line with the country's trade growth trajectory in 2024 with trade volume reaching a new high of RM2.879 trillion, an increase of 9.2% compared to 2023. *(Bernama)*

MY: New tax incentive framework to drive high-value investments into Malaysia

The government is finalising a new tax incentive framework to attract more high-value investments, said Finance Minister II Datuk Seri Amir Hamzah Azizan. He stated that the framework will assess the effectiveness of any tax incentive grant through a targeted, flexible approach that is relevant to economic changes and the business landscape. "Each investment proposal will be evaluated using the National Investment Aspiration Scorecard, which measures the quality of the investment, including economic spillovers and the creation of high-value jobs," he said during the winding-up speech on the 13th Malaysia Plan (13MP) in Dewan Negara on Tuesday. *(Bernama)*

CN: Russia, China sign major deal for new gas pipeline

Russia's Gazprom PJSC said it signed a legally binding agreement to build the long-anticipated Power of Siberia 2 gas pipeline to China via Mongolia and would expand deliveries through other routes, in what will be seen by the Kremlin as a major political win. In comments made to Russian wires from Beijing, Chief Executive Officer Alexey Miller said the gas producer could ship as much as 50 billion cubic metres a year via the Power of Siberia 2 for 30 years. Miller said the price for the fuel will be lower than what Gazprom currently charges customers in Europe, according to the reports. *(Bloomberg)*

IN: India's August palm oil imports surge 16% to 13-month high ahead of festive season

India's palm oil imports surged in August to a 13-month high, as competitive pricing relative to soy oil prompted refiners to ramp up purchases ahead of the festive season, according to five dealers. Higher palm oil imports by India, the world's largest buyer of vegetable oils, are expected to help top producers Indonesia and Malaysia reduce inventories, and support benchmark Malaysian palm oil futures. Palm oil imports rose 16% in August to 993,000 metric tonnes, the highest point since July 2024, according to estimates from dealers. *(The Edge)*



Corporate News

KENERGY: Kawan Renergy appoints Datuk Mohd Yusof Mohd Isa as chairman

Kawan Renergy Bhd has appointed Datuk Mohd Yusof Mohd Isa as its independent non-executive chairman, effective Sept 1, 2025. In a filing with Bursa Malaysia, the company said Mohd Yusof, 69, has nearly four decades of experience in the water supply sector, as he began his career as a water engineer with the Perak Water Department in 1980. *(The Edge)*

HARTA: Hartalega sees flat to slight revenue growth despite glove demand matching Covid-19 levels

Hartalega Holdings Bhd expects revenue to remain flat or show slight growth for the financial year ending March 31, 2026 (FY2026), despite demand volume returning to Covid-19 levels, as persistent oversupply and suppressed average selling prices (ASP) are likely to continue for the next one to two years. The global demand for gloves is projected to reach about 370 billion pieces by 2025, which is close to the pandemic peak of about 380 billion pieces in 2021, according to its CEO Kuan Mun Leong. In 2024, global glove demand stood at 357 billion pieces. *(The Edge)*

ITMAX: ITMAX bags third Selangor smart parking job deal

ITMAX System Bhd on Tuesday secured its third concession under the Selangor Intelligent Parking (SIP) initiative, this time involving the Selayang Municipal Council (MPS). The latest award, signed by ITMAX's 70%-owned subsidiary Selmax Sdn Bhd, spans 10 years with an option to extend for a further five years, subject to assessments by MPS and Rantaian Mesra Sdn Bhd (RMSB), the wholly owned unit of Menteri Besar Selangor Inc (MBI) overseeing the SIP rollout. *(The Edge)*

NORTHERN: Northern Solar bags RM20 mil solar with battery installation contract in Pahang

Northern Solar Holdings Bhd on Tuesday secured a RM20.5 million contract from FDIGS Makmur Sdn Bhd to develop a ground-mounted solar photovoltaic (PV) asset with battery system in Pahang. The engineering, procurement, construction and commissioning (EPCC) contract involves a 5MW self-consumption (Selco) solar PV system integrated with a 10MWh battery energy storage system (Bess). *(The Edge)*

APB: APB Resources appoints new CEO after management-led acquisition

PB Resources Bhd has seen the emergence of Strategic A Holdings Sdn Bhd as its largest shareholder, following a management-led buyout at its wholly-owned subsidiary, Amalgamated Metal Corporation (M) Sdn Bhd (AMC). The buyout was spearheaded by AMC's general manager Ong Kok Wah, deputy general manager Chan Fook Wah, and Lee Lisa, who collectively acquired a 27.89% stake — equivalent to 34.36 million shares — via Strategic A Holdings in a direct business transaction last Thursday. *(The Edge)*

OSK: OSK Holdings to acquire Rawang land, eyeing potential development worth RM1.26 bil

OSK Holdings Bhd is acquiring land in Rawang, Selangor with a plan to develop mixed properties worth RM1.26 billion in gross development value on the site. The company will pay RM58 million for the 14.45-acre land, or RM92.16 per sq ft, in deal that will mark its foray into the northern Klang Valley, OSK said in an exchange filing. The land will support future residential and commercial developments, the company noted. *(The Edge)*

SSB8: Southern Score Builders' 51%-owned unit bags RM102.7m construction subcontract

Construction firm Southern Score Builders Bhd said its 51%-owned subsidiary has secured a job valued at RM102.68 million to act as a subcontractor for electrical works from a private firm, referred to as "Customer A". Due to a non-disclosure agreement, Southern Score Builders said it is unable to disclose the identity of Company A, but noted it is principally engaged in activities of construction of buildings and other construction installations. The group's 51%-owned unit, SJEE Engineering Sdn Bhd, is to act as the subcontractor for the supply, delivery, installation, testing and commissioning, maintenance and warranty of electrical work, Southern Score Builders said in an exchange filing on Tuesday. *(The Edge)*



Upcoming key economic data releases	Date
US JOLTs Job Openings	Sep 3
US ISM Services PMI	Sep 4
US Non Farm Payrolls	Sep 5
US Unemployment Rate	Sep 5
Source: Bloomberg	

Stock Selection Based on Dividend Yield

	Sector	Price (RM)	Dividend/Share (RM)	Dividend Yield (%)
NexG Bhd	Technology	0.49	0.01	2.86
UOA REITS	REIT	0.82	0.06	7.56
Bermaz Auto	Consumer	0.68	0.08	12.00
Amway (M)	Consumer	4.92	0.24	4.88
British American Tobacco (M)	Consumer	4.72	0.53	11.23
Sentral REIT	REIT	0.79	0.06	7.77
YTL Hospital REIT	REIT	1.10	0.07	6.73
REXIT	Technology	0.52	0.05	9.71
KIP REIT	REIT	0.85	0.07	8.28
Hektar REITS	REIT	0.47	0.02	4.73
CapitaLand Malaysia Trust	REIT	0.63	0.05	7.36
Paramount Corporation	Property	1.07	0.08	7.01
MBM Resources	Consumer	5.19	0.42	8.05
Taliworks Corporation	Utilities	0.55	0.05	9.17
MAG Holdings	Consumer	1.39	0.08	5.76

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		
JS Solar Holding Berhad	ACE Market	0.31	78.0	19.5	9 Sep	23 Sep
Express Powerr Solutions (M) Bhd	ACE Market	0.20	180.0	65.4	8 Sep	24 Sep
Camaroe Berhad	ACE Market	0.14	99.0	49.5	12 Sep	2 Oct



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