



# Daily Newswatch

## Market Review

FBM KLCI closed higher at 1,586.8 on Tuesday, lifted by last-minute buying in CelcomDigi, which offset earlier losses from ex-dividend adjustments in Maxis and MISC and profit-taking in Tenaga Nasional and CIMB. Consumer Products & Services led sector gains with a 1.1% increase, followed by Utilities up 1.0% and Construction up 0.6%. While among individual stocks, PPB advanced 3.0%, MRDIY rose 2.6% and IOICORP gained 2.3%. Market breadth was positive, with 506 advancers outnumbering 445 decliners.

Asian stock markets ended mixed on Tuesday, as investors weighed global economic indicators and domestic factors. The Shanghai Composite Index slipped 0.5% to close at 3,807.3, while the Hang Seng Index advanced 1.2% to 25,938.1. The decline in the Shanghai Composite was influenced by domestic concerns, including regulatory uncertainties and a significant sell-off in the technology sector, particularly chipmaker SMIC. These factors led to investor caution and profit-taking, dampening market sentiment. In contrast, the Hang Seng Index's rally was driven by positive investor sentiment, bolstered by expectations of an imminent US Federal Reserve interest rate cut.

European stocks closed marginally higher on Tuesday, with the STOXX 50 gaining 0.2% to 5,372 and the STOXX 600 inched higher to 553. Among top gainers, Sanofi led with gains of 2.1% followed by Vivendi and Eni at 1.8% and 1.7% respectively. Ahead of the ECB's anticipated rate hold this week, bond rates supported equities by trading narrowly despite the chaos. Anglo American, on the other hand, rose 8.7% following the news that it will pay \$20.2bn to purchase Teck Resources. Meanwhile, news that Banca MPS had acquired Mediobanca for €16bn, increasing its ownership holding to 62.3%, caused Italian banks to rise.

Wall Street closed higher on Tuesday, as it continues its momentum this week, with all three major indices hitting record highs despite indicators of a slowing economy. The S&P 500 and Nasdaq 100 climbed 0.3% while the Dow Jones climbed by 197 points. The US registered its largest downward payroll revision since 2002, adding 911,000 less jobs than previously estimated for the year through March. Sector wise, the energy sector led as materials trailed sector growth. Among the big-caps, Meta and Alphabet registered gains by 1.8% and 2.4% respectively. All eyes will be on this weeks' PPI and CPI reports for the direction of the Fed policy as expectations are higher for a Fed rate cut next week.

## Macro Snapshots

- US:** Gold marches on to fresh record high
- MY:** Dewan Negara passes Gig Workers' Bill 2025
- EU:** France's Macron names loyalist Lecornu as new prime minister

## Corporate Snapshots

- BPURI:** Signs pact with Korea's Hanil, eyes job to build RM220m Sarawak plant
- SCICOM:** Teams up with Telekom Malaysia to deliver AI-powered customer engagement
- CIMB:** Chief Victor Lee resigns; finance head to oversee operations

Key Indices	Last Close	Daily chg %	YTD chg %
FBM KLCI	1,585.6	0.5	(3.5)
Dow Jones	45,515.0	0.3	7.0
Nasdaq CI	21,798.7	0.5	12.9
S&P 500	6,495.2	0.2	10.4
SX5E	5,362.8	0.8	9.5
FTSE 100	9,221.4	0.1	12.8
Nikkei 225	43,643.8	1.5	9.4
Shanghai CI	3,826.8	0.4	14.2
HSI	25,633.9	0.8	27.8
STI	4,308.5	0.0	13.8

Market Activities	Last Close	% Chg
Vol traded (m shares)	2,146.0	(7.6)
Value traded (RM m)	1,938.9	(15.7)
Gainers	506	
Losers	445	
Unchanged	538	

Top 5 Volume	Last Close	Daily chg %	Vol (m)
PHARMA	0.195	8.3	125.4
NEXG	0.020	0.0	0.3
TANCO	0.810	1.9	52.9
JAKS	0.110	10.0	46.9
VELESTO	0.215	4.9	24.8

Top 5 Turnover	Last Close	Daily chg %	Val (RM m)
MAYBANK	10.000	0.1	115.6
CIMB	7.270	(0.4)	100.0
SDG	5.120	1.2	78.0
PBBANK	4.280	0.2	71.3
TENAGA	13.320	2.0	64.0

Currencies	Last Close	% Chg
USD/MYR	4.219	0.3
USD/JPY	147.460	0.0
EUR/USD	1.176	0.0
USD/CNY	7.130	0.0
US Dollar Index	97.454	(0.3)

Commodities	Last Close	% Chg
Brent (USD/barrel)	66.0	0.8
Gold (USD/troy oz)	3,636.2	0.0
CPO (MYR/metric t)	4,388.0	(0.3)
Bitcoin (USD/BTC)	112,394.8	0.4



## Macro News

### US: Gold marches on to fresh record high

Gold hit another record high on Tuesday, holding well above the US\$3,600-mark crossed in the previous session, as growing bets of a US rate cut weakened the dollar and pushed bond yields lower, boosting demand for the precious metal. Spot gold was up 0.4% at US\$3,654.09 per ounce, as of 0931 GMT, after hitting a record high of US\$3,659.10 earlier in the session. US gold futures for December delivery rose 0.4% higher to US\$3,693. *(Reuters)*

### US: In deadlock with South Korea over US\$350 billion investment fund

The US and South Korea are in a deadlock over details of a US\$350bn investment (RM1.47bn) fund the two countries agreed to as part of a broader trade deal, with a top Seoul official warning that even the shipbuilding partnership is at risk if they fail to narrow the differences. Speaking at a forum on Tuesday, Kim Yong-beom, director of national policy at South Korea's presidential office, said Seoul has been emphasising to US officials that it cannot accept the same terms as Japan's US\$550bn investment pledge finalised last week, citing the disparity in the size of the two economies and the potential repercussions on the foreign exchange market. *(Bloomberg)*

### MY: Dewan Negara passes Gig Workers' Bill 2025

Dewan Negara on Tuesday passed the Gig Workers' Bill 2025, which will protect over 1.2m gig workers in Malaysia, ensuring their welfare, social security and rights as a vital part of the country's workforce after a debate involving 18 Dewan Negara members. Human Resources Minister Steven Sim Chee Keong said the bill would tackle weaknesses in existing Acts, specifically in enforcement by introducing automatic deductions through Application Programming Interface (API) with platforms. *(Bernama)*

### MY: Builds up forex shield to fresh 10-year high

Malaysia's international reserves climbed to a new 10-year high in August, further strengthening its shield against market volatilities and external shocks. Foreign exchange reserves totalled US\$122.7bn as at Aug 29, expanding by about US\$700m in just two weeks, according to a Tuesday statement from Bank Negara Malaysia (BNM). The central bank releases data on foreign exchange reserves every two weeks. The build-up in reserves, alongside a strengthening ringgit, is providing a larger buffer for Malaysia to weather any sharp capital outflows. The ringgit has appreciated more than 6% against the US dollar so far this year. *(The Edge)*

### MY: Sarawak premier's visit to Siemens Energy opens up opportunities for green-energy cooperation

Sarawak Premier Tan Sri Abang Johari Tun Openg's visit to Siemens Energy's headquarters in Berlin, Germany, on Monday (Sept 8) opened up new opportunities for collaboration in hydrogen production technology. In a statement issued by the Sarawak Public Communications Unit (Ukas), he said the visit provided Sarawak with an opportunity to gain experience and leverage the state's cutting-edge technology, particularly to increase its hydrogen production capacity. "Siemens' electrolyser technology is capable of producing up to 350 kilogrammes (kg) of hydrogen per hour, compared to Sarawak's current capacity of around 130kg per day," he said. *(Bernama)*

### IN: Stocks, currency slide after finance minister's exit

Indonesian assets fell after highly respected finance minister Sri Mulyani Indrawati was removed from her post, as concerns grew that weaker fiscal discipline may increase long-term economic risks and hurt investor confidence. The Jakarta Composite Index of stocks fell as much as 1.8%, government bonds declined and the central bank intervened in the currency and debt markets to help maintain stability. Even then, the rupiah slumped 1% against the dollar, making it the top loser among emerging-market peers. *(Bloomberg)*

### EU: France's Macron names loyalist Lecornu as new prime minister

French President Emmanuel Macron named loyalist Sebastien Lecornu, a one-time conservative protege who rallied behind his 2017 presidential run, as prime minister on Tuesday, defying expectations he might tack towards the left. The choice of Lecornu, 39, indicates Macron's determination to press on with a minority government that will not rip up his pro-business reform agenda, under which taxes on business and the wealthy have been cut and the retirement age raised. However, in an unusual move in French politics, Macron's office said the president had asked Lecornu to hold talks with all political forces in parliament to find compromises on the budget and other policies before naming his cabinet. *(Reuters)*



## Corporate News

### **BPURI: Signs pact with Korea's Hanil, eyes job to build RM220m Sarawak plant**

Bina Puri Holdings Bhd has signed a pact with Hanil Electric Group Co Ltd, paving the way for the contractor to build the South Korean firm's planned factory in Sarawak. Hanil, which manufactures water pumps and household appliances such as humidifiers and blenders, may invest RM220m to develop a manufacturing plant in Sarawak as part of its expansion into Southeast Asia, Bina Puri said in a statement. Under the terms of the memorandum of understanding, Bina Puri will be provided priority to participate in the engineering, procurement, construction and commissioning (EPCC) tender and negotiation process for the plant. *(The Edge)*

### **SCICOM: Teams up with Telekom Malaysia to deliver AI-powered customer engagement**

Scicom (MSC) Bhd has entered into a partnership with Telekom Malaysia Bhd to jointly develop AI-enabled customer engagement solutions and digital service delivery platforms. The collaboration will integrate Scicom's AI-driven technologies and Business Process Outsourcing capabilities with TM's infrastructure and customer management operations, according to a joint statement on Tuesday. According to the two companies, the partnership seeks to enhance customer experience across all channels — including voice, chat, email, and social media — through advanced tools such as conversational bots, predictive analytics, sentiment analysis, and intelligent routing. *(The Edge)*

### **CIMB: Chief Victor Lee resigns; finance head Andrew Boey to oversee operations**

CIMB Group Holdings Bhd on Tuesday announced that Victor Lee Meng Teck has resigned as CEO of CIMB Singapore and CEO of growth markets, effective immediately. Lee, who joined CIMB in 2019 and has led the Singapore operations since 2020, is leaving to pursue other opportunities. He will be on garden leave, the bank said in a statement with Bursa Malaysia. Following his resignation, the bank has appointed Andrew Boey, chief financial officer (CFO) of CIMB Singapore, as officer-in-charge to oversee day-to-day operations at the Singapore branch. *(The Edge)*

### **CLASSITA: To sell non-core assets to fund multi-site property projects as NexG Bina**

Classita Holdings Bhd, soon to be NexG Bina Bhd, is selling non-core assets, including part of its long-standing lingerie business, to fund property projects, aligning with new major shareholder NexG Bhd's focus on property and construction. NexG bought a 32.6% stake in Classita for RM76.78m, targeting its loss-making property and construction business, which includes a CIDB G7-certified unit able to handle large, complex construction projects. At a press conference after an extraordinary general meeting, where shareholders approved the rebranding to NexG Bina, chief executive officer Mohd Fadhli Abdul Rahman said the group expects to grow its cash reserves from RM73.6m to RM114.4m to fund its projects, helped by: *(The Edge)*

### **SKYWLD: To acquire Vietnam land for RM136m, site earmarked for apartment tower**

Property developer SkyWorld Development Bhd has signed a pact to buy land in Ho Chi Minh City, Vietnam, for about RM136m. The 2.33-acre site is earmarked for a high-rise residential tower integrated with commercial and service facilities, SkyWorld said in an exchange filing. The gross development value was not disclosed, though the company said the project comprises over 1,200 apartment units in a 40-storey tower. Under the terms of the memorandum of understanding, SkyWorld will have three months to conduct due diligence and exclusively negotiate key terms of the proposed acquisition, including pricing, deal structure and other conditions. *(The Edge)*

### **GLOTEC: Gets approval to sell to Indonesian gas distributor**

Globaltec Formation Bhd said on Tuesday its Australian unit has secured gas allocation approval from the Indonesian government. The approval allows NuEnergy Gas Ltd to sell one million standard cubic feet per day of coal bed methane to Indonesia's state-owned gas distributor PT Perusahaan Gas Negara Tbk, the company said in an exchange filing. The next step is to finalise the gas sale and purchase agreement, it noted. The sale forms the initial phase of the larger plan to produce up to 25m standard cubic feet per day of gas approved under the Tanjung Enim production sharing contract of Development 1 contract area. *(The Edge)*

### **PWRWELL: Plugs into data centre surge**

ACE Market-listed Powerwell Holdings Bhd is gearing up to capture a slice of Malaysia's fast-rising data centre boom, with demand from hyperscale and artificial intelligence (AI)-driven facilities expected to fuel demand for electrical distribution contracts. Having already secured several projects in Selangor and Indonesia, the Shah Alam-based power distribution specialist sees data centres accounting for more than half of revenue in the near term, while striking a balance between infrastructure and renewable energy (RE) jobs. *(The Edge)*

Upcoming key economic data releases	Date
US PPI	Sep 10
US Inflation Rate	Sep 11
Source: Bloomberg	



## Stock Selection Based on Dividend Yield

	Sector	Price (RM)	Dividend/Share (RM)	Dividend Yield (%)
Bermaz Auto	Consumer	0.71	0.08	11.41
British American Tobacco (M)	Consumer	4.74	0.53	11.18
REXIT	Technology	0.51	0.05	9.80
Taliworks Corporation	Utilities	0.55	0.05	9.17
KIP REIT	REIT	0.85	0.07	8.24
Sentral REIT	REIT	0.78	0.06	7.82
MBM Resources	Consumer	5.42	0.42	7.71
UOA REITS	REIT	0.83	0.06	7.52
CapitaLand Malaysia Trust	REIT	0.63	0.05	7.30
Ta Ann Holdings	Plantation	4.18	0.31	7.30
Paramount Corporation	Property	1.04	0.07	7.21
RHB Bank	Finance	6.58	0.45	6.78
YTL Hospital REIT	REIT	1.11	0.07	6.67
Kim Loong Resources	Plantation	2.27	0.15	6.61
Sports Toto	Consumer	1.42	0.09	6.41

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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