



# Daily Newswatch

## Market Review

The FBM KLCI saw investors taking profit on Thursday as the local bourse dipped below the 1,600 mark to 1,599 (-0.8%) since the Fed's expected rate cut announcement. Among the index top losers of the day were NESTLE (-3.0%), PCHEM (-2.7%) and CIMB (2.7%). Most sectors ended in the red, with utilities leading the way, declining by 1%, followed by financial services and healthcare dipping by 0.8% and 0.7% respectively. Market breadth turned negative, with 492 advancers against 514 decliners.

The Shenzhen Component plummeted 1.1% to 13,076 and the Shanghai Composite fell 1.2% to 3,832 on Thursday, marking a sharp reversal after both indexes had earlier in the day reached new multi-year highs. Profit-taking seemed to predominate as investors questioned the sustainability of the recent run, as there was no clear cause responsible for the decline. This month, markets have also been tense due to rumors that Beijing would take action to stop speculation in order to protect individual investors from suffering significant losses. Separately, Alibaba and other companies were reportedly instructed by China's internet government to stop buying Nvidia's RTX Pro 6000D, a workstation processor that can be modified for artificial intelligence. With significant losses in East Money Information (-4.4%), Cambricon Technologies (-1.3%), Victory Giant (-3.1%), and Contemporary Amperex (-2.5%), technology and new energy shares were the most affected.

European stocks ended Thursday in the green, with the STOXX 50 advancing 1.6% to 5,457 and the STOXX 600 inching up by 0.8% to 555 as investors assessed policy decisions from major central banks and their impact on global rates. As anticipated, the Bank of England kept interest rates steady in the interim, but it lowered the tempo of its quantitative tightening in order to reduce pressure on longer-term borrowing. Among the gainers were SAP, Infineon Technologies and Schneider Electric, each climbing 5.4%, 3.2% and 2.5% respectively.

Wall Street closed at all-time highs on Thursday following the Federal Reserve's announcement that more rate cuts are anticipated this year. The Dow Jones, Nasdaq 100 and S&P 500 increased by 0.3%, 1.0% and 0.5% as the Fed's quarter-point decrease and the possibility of two more cuts were warmly received by investors, who saw the action as a move away from strictly controlling inflation and toward promoting growth. The US stocks rallied as Intel, Synopsys and CrowdStrike surged by 22.8%, 12.9% and 12.8% respectively meanwhile most of the Dow Jones closed higher with Caterpillar, NVIDIA and IBM saw increments of 3.6%, 3.5% and 2.3% respectively.

## Macro Snapshots

- US:** Initial Jobless Claims Sink
- CN:** Fiscal spending slowdown persists in risk for growth
- MY:** Urban Renewal Bill set to be tabled for second reading on Oct 6
- MY:** Kazakhstan bilateral trade revenue to increase to US\$1bn

## Corporate Snapshots

- SUNWAY:** Buys MCL Land for RM2.4 bil from Hongkong Land
- DELEUM:** Scraps RM60m Thai-based oilfield deal over unmet conditions
- PANTECH:** Slapped with tax demand of RM6.8 mil from IRB
- L&G:** To launch maiden industrial park in 2026 in Hulu Selangor

Key Indices	Last Close	Daily chg %	YTD chg %
FBM KLCI	1,598.9	(0.8)	(2.6)
Dow Jones	46,142.4	0.3	8.5
Nasdaq CI	22,470.7	0.9	16.4
S&P 500	6,632.0	0.5	12.8
SX5E	5,456.7	1.6	11.5
FTSE 100	9,228.1	0.2	12.9
Nikkei 225	45,303.4	1.1	13.6
Shanghai CI	3,831.7	(1.2)	14.3
HSI	26,544.9	(1.4)	32.3
STI	4,312.6	(0.3)	13.9
Market Activities	Last Close	% Chg	
Vol traded (m shares)	2,568.9	(18.0)	
Value traded (RM m)	2,523.8	(20.3)	
Gainers	492		
Losers	514		
Unchanged	512		
Top 5 Volume	Last Close	Daily chg %	Vol (m)
PHARMA	0.285	3.6	136.2
VS	0.550	(0.9)	53.2
TANCO	0.840	0.0	42.7
ARMADA	0.340	(2.9)	39.7
SNS	0.625	8.7	38.5
Top 5 Turnover	Last Close	Daily chg %	Val (RM m)
CIMB	7.320	(0.0)	152.4
PBBANK	4.250	(1.2)	114.4
TENAGA	13.280	(1.2)	107.2
GAMUDA	5.580	0.5	66.0
WPRTS	5.540	1.1	63.5
Currencies	Last Close	% Chg	
USD/MYR	4.197	(0.2)	
USD/JPY	147.970	0.0	
EUR/USD	1.179	(0.0)	
USD/CNY	7.113	(0.1)	
US Dollar Index	97.357	0.5	
Commodities	Last Close	% Chg	
Brent (USD/barrel)	67.5	(0.6)	
Gold (USD/troy oz)	3,643.3	(0.0)	
CPO (MYR/metric t)	4,374.0	0.1	
Bitcoin (USD/BTC)	117,293.9	(0.2)	



## Macro News

### US: Trump administration may not end Venezuelan migrants' protections, court rules

A federal appeals court has rejected a bid by the Trump administration to set aside a judge's order holding that it unlawfully rolled back temporary protections from deportation granted to 600,000 Venezuelans living in the U.S. A three-judge panel of the San Francisco-based 9th U.S. Circuit Court of Appeals in a decision late on Wednesday declined to pause a judge's September 5 ruling holding that Homeland Security Secretary Kristi Noem lacked the authority to end the program, known as Temporary Protected Status. The panel, which included three judges appointed by Democratic presidents, said Congress did not contemplate such a result, and they declined to put on hold San Francisco-based U.S. District Judge Edward Chen's ruling while the administration pursued an appeal. *(Reuters)*

### US: Initial Jobless Claims Sink

Initial jobless claims in the US sank by 33,000 from the previous week to 231,000 on the second week of September, firmly below the market consensus of 240,000. The count declined sharply from the October-2021 high of 264,000 from the previous week, mostly on a surge in claims across multiple industries in Texas, with reports emerging of incorrectly-filed and fraudulent claims having inflated the number and distorted the data. In the meantime, outstanding claims fell by 7,000 to 1,920,000 in the first week of September, less than expectations of 1,950,000, and the least since late May. The results pushed back against recent concerns of an uncontrolled deterioration in the labor market following pessimistic jobs reports, which drove the Fed to restart its cutting cycle despite high inflation. In the meantime, initial unemployment claims filed by Federal government workers, which have been under scrutiny due to the White House's efforts to reduce government employees, rose by 45 to 572. *(Trading Economics)*

### CN: Fiscal spending slowdown persists in risk for growth

China's government spending increased at a slower rate for the second straight month, underscoring how weaker fiscal support now presents a risk to an economy whose momentum is cooling across the board. While revenue stagnated, total expenditure under the country's two major fiscal books climbed just 6% last month from a year earlier, the slowest since May, according to Bloomberg calculations based on data published Wednesday by the Ministry of Finance. The allocation on infrastructure-related spending in China's main budget slumped at the fastest clip in a year with a contraction of 10%, as the use of funding raised from government bond sales has likely been slowing. *(Bloomberg)*

### MY: Kazakhstan bilateral trade revenue to increase to US\$1bn

Bilateral trade revenue for Kazakhstan and Malaysia is expected to increase significantly to US\$1bn annually in the next three to four years. Kazakhstan Minister of Trade and Integration Arman Shakkaliev said in the first half of 2025, bilateral trade turnover increased by almost 46%, reaching US\$98.9m compared with the same period of the previous year. Kazakhstan's exports to Malaysia more than tripled, amounting to US\$2.8m, while imports exceeded US\$96.1m. *(Bernama)*

### MY: Halal exports reach US\$7bn in 1H2025

Malaysia's halal exports reached US\$7bn (RM29.3bn) in the first half of 2025, accounting for 16.1% of national exports, said Deputy Prime Minister Datuk Seri Dr Ahmad Zahid Hamidi. He said the key products were food and beverages, halal ingredients, and palm oil derivatives, which were shipped to markets as diverse as China, Singapore, the US, Japan and Indonesia. He said more than 10,000 halal-certified companies currently contribute to Malaysia's global halal footprint. "Looking forward, Malaysia is strengthening this ecosystem further through digitalisation, tourism, halal parks, logistics integration and end-to-end traceability to ensure the halal system is efficient, resilient and ready for the future. *(Bernama)*

### MY: Urban Renewal Bill set to be tabled for second reading on Oct 6

The Urban Renewal Bill is expected to be tabled in the Dewan Rakyat for the second reading on Oct 6, after being postponed on Aug 27, said Housing and Local Government Minister Nga Kor Ming. He said this was among the matters raised through the National Affordable Housing Council meeting No.1 2025, chaired by Prime Minister Datuk Seri Anwar Ibrahim on Thursday, which, among others, discussed the drafting of a new Act and the housing ecosystem in the country. On the implementation of affordable homes under the 13th Malaysia Plan, he said that as of June 30, 98.8% or 493,874 affordable houses had been completed, with the remaining 6,126 units being targeted for completion by year end. As for the Housing Credit Guarantee Scheme, Nga said that as of July 31, a total of 93,231 applications had been approved, with total financing guarantees of RM22.1bn. *(Bernama)*

### UK: The Bank of England kept rate unchanged

The Bank of England voted 7–2 to keep Bank Rate unchanged at 4%, with two members favoring a 25bps cut to 3.8%. The MPC also voted 7–2 to slow quantitative tightening, reducing gilt holdings by £70bn over the next year, to £488bn. Policymakers highlighted progress in disinflation after past shocks, supported by restrictive policy, though inflation remains above target. CPI stood at 3.8% in August and is expected to rise slightly in September before trending back toward 2%. Wage growth, while still elevated, has eased and is forecast to slow further, while services inflation has remained steady. The MPC flagged upside risks to medium-term inflation but noted subdued GDP growth, a loosening labor market, and slack in the economy. Looking ahead, the committee stressed a gradual, data-driven approach, with no pre-set path for rate cuts, keeping flexibility to respond to future developments. *(Trading Economics)*



## Corporate News

### **TM: NCT to roll out smart industrial parks nationwide**

Telekom Malaysia Bhd, via its enterprise and government solutions arm TM One, has signed a memorandum of collaboration (MOC) with NCT Group of Companies to expand smart industrial park solutions across Malaysia. According to a press release Thursday, the move builds on the parties' 2022 collaboration for the NCT Smart Industrial Park (NSIP) in Selangor. The expanded partnership will see TM delivering connectivity, smart solutions, cloud and ICT services to support the digitalisation of NCT Group's operations and developments. This includes NCT Innosphere within the Delapan Special Border Economic Zone in Kedah and the group's corporate headquarters. *(The Edge)*

### **PANTECH: Slapped with tax demand of RM6.8 mil from IRB**

Pipe-and-valve maker Pantech Group Holdings Bhd has been slapped with capital gains tax amounting to RM6.8m by the Inland Revenue Board (IRB). "The board of directors of Pantech Group Holdings Bhd wishes to announce that the company has on Sept 12, 2025 received Notice of Assessments for Capital Gains Tax from the IRB for the year of assessment 2025, amounting to RM 6,759,377.27," said Pantech in a bourse filing. The company is currently seeking professional advice and intends to initiate a formal appeal to the IRB. *(The Edge)*

### **ECOWLD: Beats FY2025 sales target as 3Q profit jumps 25%**

Eco World Development Group Bhd said on Thursday that it has exceeded its sales target for the financial year ending Oct 31, 2025 (FY2025), after reporting a more than 25% rise in third quarter earnings. The group achieved RM3.8bn in sales in the first 10 months of FY2025, surpassing its full-year target of RM3.5bn. Projects in Iskandar Malaysia contributed RM2bn, or 52% of total sales, followed by the Klang Valley at 38% and Penang at 10%. Net profit for the third quarter ended July 31, 2025 (3QFY2025) rose to RM101.2m, from RM80.4m a year earlier, as revenue jumped nearly 45% to RM761.9m from RM526.2m. *(The Edge)*

### **SUNWAY: Buys MCL Land for RM2.4 bil from Hongkong Land**

Sunway Group is paying S\$738.7m (RM2.4bn) deal to buy the Singaporean and Malaysian residential development business MCL Land from Hongkong Land Holdings. This deal marks the Malaysian conglomerate's largest deal to date, and will lift its Singapore investment to more than S\$1.2bn since July. Sunway will assume ownership of MCL Land and its subsidiaries, including ongoing development projects in Singapore as well as its portfolio of income-generating and development assets in Malaysia. *(The Edge)*

### **DELEUM: Scraps RM60m Thai-based oilfield deal over unmet conditions**

Deleum Bhd has terminated its proposed acquisition of oilfield service assets and business from Thailand-based MPC Future Co Ltd, citing the non-fulfilment of key conditions precedent outlined in the sale and purchase agreement (SPA). Deleum first announced in June its plan to acquire MPC Future for RM60m via a mix of cash and share issuance in its subsidiary, Deleum Oilfield Solutions (Thailand) Co Ltd (DOST). The transaction would have resulted in MPC Future holding a 48.34% stake in DOST, with Deleum retaining 49.9%. The remaining 1.7% would be held by Suthee Chivaphongse, a director and major shareholder of DOST. *(The Edge)*

### **BNASTRA: 2Q net profit up 24% on stronger construction earnings**

Binastra Corp Bhd posted a 24.3% rise in net profit for the second quarter ended July 31, 2025 (2QFY2026), supported by higher contributions from its core construction segment. Quarterly net profit came in at RM28.4m versus RM22.9m a year earlier, the construction outfit said in a bourse filing on Thursday. Revenue surged 71.9% year-on-year to RM396.8m from RM230.9m. The construction segment recorded revenue of RM396.6m in 2QFY2026, up from RM230.6m a year earlier, while profit before tax rose to RM36.3m from RM31.9m *(The Edge)*

### **MAGNA: Largest shareholders buy substantial stake from Prisma Pelangi, trigger takeover offers at 73 sen**

Property developer Magna Prima Bhd's largest shareholders, Datuk Seri Bryan Wong Sze Chien and managing director Eddy Seah Ley Hong, have triggered a conditional mandatory takeover offer at 73 sen per share after their stake in the company rose to 35.7%. This came after their company, Hallson Holdings Sdn Bhd, bought a 5.7% stake from Prisma Pelangi Sdn Bhd for RM16.5m. Wong and Seah each own half of Hallson. Seah's wife, Tan Zhen Lin, is also involved as a shareholder. The sale brings Prisma Pelangi's stake in the company down to 20.1%. *(The Edge)*

### **L&G: To launch maiden industrial park in 2026 in Hulu Selangor**

Land & General Bhd plans to launch its maiden industrial park at its 2,500-acre Sungai Jernih Estate in Kerling, Hulu Selangor next year, with the development expected to span over a decade. L&G managing director Low Gay Teck said the launch of phase one of the project is targeted for late 2026, with the re-zoning of the land from agricultural use to industrial use already in progress. "The gross development value (GDV) is still at a preliminary stage, so we are not providing figures, but it's going to be quite a big number," Low said at a press conference after the group's annual general meeting. *(The Edge)*



## Stock Selection Based on Dividend Yield

	Sector	Price (RM)	Dividend/Share (RM)	Dividend Yield (%)
British American Tobacco (M)	Consumer	5.18	0.53	10.23
Taliworks Corporation	Utilities	0.51	0.05	9.90
REXIT	Technology	0.52	0.05	9.62
MBM Resources	Consumer	5.10	0.42	8.20
KIP REIT	REIT	0.86	0.07	8.19
Sentral REIT	REIT	0.78	0.06	7.82
UOA REITS	REIT	0.83	0.06	7.47
CapitaLand Malaysia Trust	REIT	0.62	0.05	7.42
Ta Ann Holdings	Plantation	4.15	0.31	7.35
Bermaz Auto	Consumer	0.67	0.05	7.31
Paramount Corporation	Property	1.05	0.07	7.14
MAG Holdings	Consumer	1.36	0.09	6.99
Magnum	Consumer	1.36	0.09	6.99
RHB Bank	Finance	6.50	0.45	6.88
YTL Hospital REIT	REIT	1.12	0.07	6.61

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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