



# Daily Newswatch

## Market Review

The FBM KLCI ended the week flattish, as it hovers around 1598, with a slight trim of 4 bps on Friday. Among leaders were SIME (+2.4%) and AXIATA (+2.3%) as MRDIY (-3.1%) and YTLPOWER (-2.3%) were among laggards of the index. Banking heavyweights were also among decliners as CIMB, MAYBANK and PBBANK all trimmed by 1.2%, 0.8% and 0.2% respectively. The transportation & logistics and technology sector led gains by 1.8% and 0.9% respectively as financial services and construction declined by 0.6% and 0.5%. Market breadth was positive, with 562 advancers against 492 decliners.

The Shenzhen Component fell 0.04% to 13,071 and the Shanghai Composite fell 0.3% to close at 3,820 on Friday. Mainland equities were unable to find traction as investors looked for new catalysts. After the Shanghai Index reached a ten-year high on Thursday, speculators locked in profits, causing Chinese stocks to drop. The lack of fresh policy backing also affected sentiment, as the People's Bank of China maintained a key rate at its current level and showed no desire to further ease it. Among the prominent movers, Zhejiang Sanhua fell 8.6%, Hygon Information lost 3.2%, and Cambricon Technologies fell 5.1%.

European stocks ended Friday's trading session little higher as markets continued to evaluate the week's key monetary policy decision, while strength in the dominant financial sector countered uneven movements elsewhere. The pan-European STOXX 600 remained unchanged at 555, while the Eurozone's STOXX 50 increased 0.2% to 5,467. The Bank of Japan startled investors by revealing intentions to start unwinding its enormous exchange-traded fund holdings, although keeping interest rates constant as anticipated. To set the pace for banks, Santander, BNP Paribas, and Nordea all saw increases of around 2%. Meanwhile, Safran and Airbus had 1.4% and 2.3% increases, respectively. Consequently, Moeller Maersk had a 6% decline due to falling freight rates. The STOXX 600 was unchanged for the week, but the STOXX 50 gained 1.4%.

Friday saw Wall Street close at all-time highs, continuing the record-breaking gains from the previous session as investors took in positive corporate earnings, the Fed's first rate decrease of 2025, and indications of improving US-China relations. The Dow increased 172 points to cross over 46,300 for the first time, the Nasdaq 100 gained 0.7%, and the S&P 500 increased 0.5%, breaking beyond the 6,600 barrier. Apple gained 3.2% on the release of its new iPhone, while FedEx jumped 2.3% after announcing better-than-expected results. After Baird upgraded Tesla to "outperform," the tech and consumer discretionary sectors saw a 2.2% increase. Weekly gains were reported by all three major indexes: the Nasdaq was up 1.5%, the Dow was up 1%, and the S&P 500 was up 0.8%.

## Macro Snapshots

- US:** Government shutdown looms; Senate rejects stopgap funding bill
- CN:** Snaps up Australian canola after trade spat with Canada
- MY:** Energy Commission steps up enforcement with 12 prosecutions
- EU:** Firms face new production halts on China rare earth pinch

## Corporate Snapshots

- GAMUDA:** Annual profit surpasses RM1bn for the first time
- SCBUILD:** Inks RM663m JV to develop Kedah land
- PHARMA:** Buys RM30m Penang property to strengthen logistics capacity
- LFG:** Expands dry bulk portfolio with US\$27.5m purchase of two vessels

Key Indices	Last Close	Daily chg %	YTD chg %
FBM KLCI	1,598.2	(0.0)	(2.7)
Dow Jones	46,315.3	0.4	8.9
Nasdaq CI	22,631.5	0.7	17.2
S&P 500	6,664.4	0.5	13.3
SX5E	5,458.4	0.0	11.5
FTSE 100	9,216.7	(0.1)	12.8
Nikkei 225	45,640.0	1.3	14.4
Shanghai CI	3,820.1	(0.3)	14.0
HSI	26,545.1	0.0	32.3
STI	4,302.7	(0.2)	13.6
Market Activities		Last Close	% Chg
Vol traded (m shares)		3,593.2	39.9
Value traded (RM m)		4,161.1	64.9
Gainers		562	
Losers		492	
Unchanged		485	
Top 5 Volume	Last Close	Daily chg %	Vol (m)
TWL	0.025	(16.7)	131.9
VS	0.595	8.2	108.8
PHARMA	0.265	(7.0)	100.7
MALAKOF	0.975	0.0	91.8
SCBUILD	0.010	100.0	79.4
Top 5 Turnover	Last Close	Daily chg %	Val (RM m)
WPRTS	5.540	0.0	278.2
CIMB	7.230	(1.2)	204.3
GAMUDA	5.520	(1.1)	190.0
GAMUDA	9.800	(0.8)	146.4
PBBANK	4.240	(0.2)	117.6
Currencies		Last Close	% Chg
USD/MYR		4.211	(0.1)
USD/JPY		148.110	(0.1)
EUR/USD		1.174	(0.1)
USD/CNY		7.118	(0.1)
US Dollar Index		97.785	0.1
Commodities		Last Close	% Chg
Brent (USD/barrel)		66.9	0.3
Gold (USD/troy oz)		3,690.8	0.1
CPO (MYR/metric t)		4,365.0	(0.1)
Bitcoin (USD/BTC)		114,473.1	(0.8)



## Macro News

### US: Government shutdown looms; Senate rejects stopgap funding bill

The threat of a U.S. government shutdown surged on Friday, as the U.S. Senate rejected a short-term funding bill to keep federal agencies operating after September 30 and then left town for a week-long break. The lawmakers voted 44-48 to defeat a stopgap spending bill that would have kept federal agencies operating at current funding levels through November 21. The measure faced near universal opposition from Democrats, who demanded increased healthcare funding. Republicans said they could vote again on September 29, just a day before funding is due to expire, when senators return from a break. *(Reuters)*

### US: Trump and Xi speak by phone, seek TikTok win to break US-China gridlock

Presidents Donald Trump and Xi Jinping spoke by phone on Friday, Chinese state media reported, as they seek an agreement to help keep the video app TikTok online in the US and ease tensions between two superpowers locked in a stand-off over trade. The agreement is at the top of the agenda alongside trade for the leaders' first known call in three months. The report from Chinese state broadcaster CCTV did not provide any details of the conversation and the White House did not immediately respond to a request for comment. Trump and Xi's effort to steady relations coincides with discussions on a potential in-person summit between Xi and Trump during the Asia-Pacific Economic Cooperation (Apec) summit in South Korea on Oct 30-Nov 1, *Reuters* has reported. *(Reuters)*

### CN: Firms treat trade fair as testing ground for Southeast Asian market ambitions

The China-Asean Expo in Nanning, capital of the Guangxi Zhuang autonomous region, is a major platform for the promotion of trade and investment with Southeast Asia, underscoring the 10-nation bloc's role as China's largest trading partner and a growing alternative to Western markets. This year's event opened on Wednesday and will end on Sunday. The Association of Southeast Asian Nations has become even more vital to China's trade strategy amid the US tariff war. Soaring Chinese exports to the bloc – up 22.5% year on year in August – have helped to offset a slump in shipments to the United States. Chen Jiye, general manager of Suzhou Katili Electronic Technology, a maker of electric bikes and smart suitcases, said the Chinese government encouraged exports to countries that have signed up to its Belt and Road Initiative trade development plan through favourable policies, including subsidies and streamlined customs clearance. *(South China Morning Post)*

### CN: Snaps up Australian canola after trade spat with Canada

Chinese state trading firm COFCO has bought up to nine 60,000-metric-ton cargoes of Australian canola, three trade sources told Reuters, after Beijing last month imposed preliminary anti-dumping duties on imports of the oilseed from traditional supplier Canada. The purchases amount to around 540,000 tons, equivalent to about 8% of China's total canola imports last year. Beijing is conducting an anti-dumping probe into Canadian canola, and in August imposed preliminary duties of 75.8%, bringing shipments to a virtual standstill amid a larger diplomatic and trade dispute between the two nations. *(Reuters)*

### MY: Kazakhstan strengthen agricultural and food security ties

Malaysia and Kazakhstan have reaffirmed their commitment to enhancing strategic cooperation in agriculture, food security, and modern agricultural technology. In a statement on Friday, the Ministry of Agriculture and Food Security said that both countries discussed opportunities for collaboration in the agro-food sector, focusing on expanding partnerships in agricultural technology and research. This includes potential joint initiatives between the Malaysian Agricultural Research and Development Institute (Mardi) and Kazakhstan's research institutions. The commitment was formalised during a courtesy visit by Kazakhstan's Trade and Integration Minister Arman Shakkaliyev to Agriculture and Food Security Minister Datuk Seri Mohamad Sabu on Sept 17. The visit was part of Arman's official trip to Malaysia, in conjunction with his participation in the Malaysia International Halal Showcase (Mihasa) 2025. *(Bernama)*

### MY: Energy Commission steps up enforcement with 12 prosecutions under electricity and gas acts

The Energy Commission (ST) has stepped up enforcement under the Electricity Supply Act 1990 (Act 447) and Gas Supply Act 1993 (Act 501), with twelve prosecutions in the courts this year. In a statement on Friday, the ST said that these cases involve aggregate fines totalling RM200,140 for various violations, including electricity theft, illegal modification of installations resulting in a fatality, possessing unlabelled electrical equipment for sale, and conducting activities using gas without a licence. The Commission stated that recent cases include charges for electricity theft under Sub-section 37(3)(e) of Act 447 against three companies at the Federal Territory of Labuan and Kota Kinabalu Sessions Courts on Aug 26 and 27, respectively. *(Bernama)*

### EU: Firms face new production halts on China rare earth pinch

European companies are halting production due to shortages of rare earth products from China, even as the world's top supplier ramps up overall exports to record levels. Companies in the European Union (EU) incurred seven production stoppages in August because of the shortfalls, and an additional 46 are expected this month, the EU Chamber of Commerce in China said on Thursday, without specifying the scale or nature of the affected facilities. Rare earth flows from China collapsed from early April this year after Beijing put export controls on some of them. The restrictions particularly threatened the supply of rare earth magnets, a market where China controls 90% of global output, disrupting major industries from electric vehicles to wind turbines. *(Bloomberg)*



## Corporate News

### **GAMUDA: Annual profit surpasses RM1bn for the first time on domestic project strength**

Gamuda Bhd closed its financial year ended July 31, 2025 (FY2025) with net profit surpassing RM1bn for the first time since its listing in 1992, propelled by strong contributions from domestic construction projects. The group posted a full-year net profit of RM1.003bn, up 10% from RM912.1m in FY2024. Fourth-quarter (4Q) net profit rose 21.9% to RM332.2m from RM272.5m. Revenue for the year climbed 19.7% to a record RM16.0bn, while 4Q revenue reached an all-time quarterly high of RM4.8bn, up 2.6% year-on-year. *(The Edge)*

### **SCBUILD: Inks RM663m JV to develop Kedah land, eyes rental or sale upon completion**

Construction outfit SC Estate Builder Bhd on Friday entered into a joint-venture (JV) agreement with Vanguard North Sdn Bhd to develop four parcels of land in Kedah into a development of building construction project, with an estimated gross development value of RM663.4m. According to the group's filing with Bursa Malaysia, the agreement was executed through SC Estate Builder's wholly owned subsidiary, SC Estate Energy Sdn Bhd (SCEE). SC Estate Builder said the project will include a mix of land plots, units, and building types, subject to authority approvals. Its unit, SCEE, will decide the final layout and appoint developers, contractors, and suppliers. Once completed, the company plans to either rent out the properties in five 30-year terms or sell them, depending on market conditions. SCEE will handle both tenant agreements and sales. *(The Edge)*

### **PHARMA: Buys RM30m Penang property to strengthen logistics capacity**

Pharmaniaga Bhd, which completed its regularisation plan recently, is acquiring a freehold factory and office building in Seberang Perai Selatan, Penang, for RM30m as part of its strategy to expand logistics and distribution capacity in the northern region of Peninsular Malaysia. According to Pharmaniaga's bourse filing on Friday, its wholly-owned unit Pharmaniaga Logistics Sdn Bhd had entered into a sale and purchase agreement (SPA) with NH Development Sdn Bhd on Sept 12 for the acquisition of the property, which sits on 10,919 sq m of land. The group said the acquisition is consistent with its obligations under the concession agreement inked with the Ministry of Health in January 2023, and supports its long-term expansion strategy. *(The Edge)*

### **LFG: Expands dry bulk portfolio with US\$27.5m purchase of two vessels**

Offshore support vessel (OSV) operator Lianson Fleet Group Bhd on Friday announced it is acquiring two South Korean-built Supramax bulk carriers for US\$27.5m (RM115.1m) cash. The group, formerly known as Icon Offshore Bhd, said in a Bursa Malaysia that it is buying the vessels — MV Pacific Ace and MV Pacific Pride — from HMM Co Ltd, a company incorporated in South Korea. It plans to fund the purchase with internal funds and borrowings. The group is now in talks with lenders to finance up to 70% of the purchase price. *(The Edge)*

### **MERIDIEN: Bags RM40.5m contract for civil servants housing in Kedah**

Property developer Meridian Bhd has secured a RM40.5m contract for a government-backed civil servants' housing project in Kuala Muda, Kedah. The contract, secured from Kejora Harta Bhd, involves the construction of 140 double-storey terraced homes, said Meridian in a bourse filing on Friday. The Practice Note 17 (PN17) company said the two-year job covers main building works, demolition of existing structures, piling, and associated external and infrastructure works. *(The Edge)*

### **SLVEST: Shares to be suspended on Monday pending announcement**

Solarvest Holdings Bhd said Bursa Malaysia has approved its request for a suspension in the trading of its shares on Monday (Sept 22), pending the release of a material announcement. The suspension will also apply to structured warrants relating to the company, according to the company's filing with the exchange on Friday. Solarvest announced earlier this month that the company, together with Malakoff Corp Bhd, has been selected to develop a 470MWac solar power plant in Perak's Larut dan Matang district under the government's latest large-scale solar bidding round (LSS5+). *(The Edge)*

### **SDS: EPF becomes substantial shareholder**

The Employees Provident Fund (EPF) has emerged as a substantial shareholder of Johor-based bakery company SDS Group Bhd for the first time, holding a 5.1% stake. In a filing with Bursa Malaysia on Friday, SDS said the EPF raised its direct stake to 27.8m shares after acquiring 1.9m shares last Friday (Sept 12). According to SDS's latest annual report, the EPF previously held a 3% stake, comprising 16.4m shares as at June 30. *(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	0.52	0.05	9.71
REXIT	Technology	0.54	0.05	9.35
MBM Resources	Consumer	5.19	0.42	8.05
KIP REIT	REIT	0.87	0.07	7.93
Sentral REIT	REIT	0.79	0.06	7.77
Bermaz Auto	Consumer	0.65	0.05	7.54
CapitaLand Malaysia Trust	REIT	0.62	0.05	7.42
Ta Ann Holdings	Plantation	4.15	0.31	7.35
Paramount Corporation	Property	1.04	0.07	7.21
MAG Holdings	Consumer	1.36	0.09	6.99
Magnum	Consumer	1.36	0.09	6.99
RHB Bank	Finance	6.51	0.45	6.85
YTL Hospital REIT	REIT	1.11	0.07	6.67
Sports Toto	Consumer	1.40	0.09	6.64

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
Cheeding Holdings Berhad	ACE Market	0.36	143.0	65.0	23 Sep	7 Oct

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