MERCURY SECURITIES SDN BHD
(A Participating Organisation of Bursa Malaysia Securities Bhd.)

Research Team
research@mersec.com.my

Daily Newswatch

Market Review

Bursa Malaysia ended flat on Tuesday due to a lack of catalysts, but a slight improvement in trading volume helped keep the key index above the 1,600-point level. At 5pm, the FBM KLCI edged up 0.21 points to close at 1,603, compared with the previous day's close of 1,603.34. Sector-wise, Property (+1.4%) led the gainers, followed by Health Care (+1.3%) and Utilities (+0.7%). Among key index constituents, SIME (+4.8%) was the top performer, followed by QL (+2.3%) and PMETAL (+1.2%). Market breadth was positive, with 528 losers outnumbering 478 gainers.

The Shenzhen Component declined 0.3% to 13,119, while the Shanghai Composite decreased 0.2% to 3,822 on Tuesday after the head of China's central bank struck a measured tone at high-level briefing, quashing hopes of easing measures. Notable laggards included Shenzhen CECport Technologies (-5.9%), Shenzhen Overseas Chinese Town (-5.6%) and Fulin Precision (-5.5%).

European markets opened higher on Tuesday, with the STOXX 600 up 0.3% and the STOXX 50 up 0.6%, driven largely by gains in renewable energy stocks. Investors reacted strongly to a US court decision that allowed Danish company Orsted to resume construction of its stalled offshore wind project in Rhode Island. The ruling sent Orsted shares sharply higher and sparked momentum across the sector, while losses in semiconductor equipment makers tempered broader gains.

US stocks fell on Tuesday, pulling back from a record-setting streak, as Fed Chair Jerome Powell signalled the central bank would proceed cautiously on further rate cuts and suggested equities were "fairly highly valued." Tech stocks led a broad selloff Tuesday, with investor favourites Nvidia and Amazon leading a roughly 1% decline in the Nasdaq. Most of the Magnificent Seven stocks slipped, a day after Nvidia announced that it would invest in OpenAI to fund a data-center buildout. Monday's rally buoyed the Nasdaq to its 29th record close of the year. Consequently, the Dow decreased 0.2%, the Nasdaq decreased 0.9% and the S&P 500 declined 0.6%.

Macro Snapshots

- **US**: Gold hits record high on bets of further Fed rate cuts ahead of Powell's address
- **MY**: August inflation picks up slightly as insurance premiums climb, latest data show
- **MY**: Adds another US$100m to forex shield, pushing it to new decade high
- **UK:** Export orders fall at fastest pace in five months, PMI shows

Corporate Snapshots

- **TXCD:** Bags fresh construction contract in Sepang after previous deal scrapped
- **JFTECH:** Invests in US firm to expand semiconductor testing business
- **TEXCYCL:** Partners Victory Recovery Resources to expand scheduled waste management capabilities
- **SCGBHD:** Director Fawiza ceases to be substantial shareholder

The	Last Close	Daily chg %	YTD chg %
FBM KLCI	1,603.6	0.0	(2.4)
Dow Jones	46,292.8	(0.2)	8.8
Nasdaq CI	22,573.5	(0.9)	16.9
S&P 500	6,656.9	(0.6)	13.2
SX5E	5,472.4	0.6	11.8
FTSE 100	9,223.3	(0.0)	12.9
Nikkei 225	45,412.0	(0.2)	13.8
Shanghai CI	3,821.8	(0.2)	14.0
HSI	26,159.1	(0.7)	30.4
STI	4,302.7	0.1	13.6

Market Activities	Last Close	% Chg
Vol traded (m shares)	3,177.6	14.0
Value traded (RM m)	2,360.0	3.6
Gainers	565	
Losers	459	
Unchanged	519	

Top 5 Volume	Last Close	Daily chg %	Vol (m)
JSSOLAR	0.400	0.0	70.2
PHARMA	0.270	0.0	62.9
XOXTECH	0.065	0.0	59.8
NEXG	0.510	0.0	48.0
SFPTECH	0.175	0.0	46.2

Top 5 Turnover	Last Close	Daily chg %	Val (RM m)
CIMB	7.290	0.0	109.1
GAMUDA	5.680	0.0	79.0
MAYBANK	9.820	0.0	77.2
TENAGA	13.400	0.0	65.4
SUNWAY	5.500	0.0	63.2

Currencies	Last Close	% Chg
USD/MYR	4.201	(0.0)
USD/JPY	147.780	(0.1)
EUR/USD	1.181	(0.1)
USD/CNY	7.113	0.0
US Dollar Index	97.306	0.0

Commodities	Last Close	% Chg
Brent (USD/barrel)	67.9	0.4
Gold (USD/troy oz)	3,762.6	(0.0)
CPO (MYR/metric t)	4,308.0	0.1
Bitcoin (USD/BTC)	112,284.2	0.2

Source: Bloomberg

Macro News

US: Gold hits record high on bets of further Fed rate cuts ahead of Powell's address

Gold prices climbed to a fresh record high on Tuesday, bolstered by increased expectations of further US rate cuts, as investors awaited Federal Reserve (Fed) chair Jerome Powell's speech later in the day for further policy cues. Spot gold had risen 1% to US$3,784.01 (RM15,887.17) per ounce as of 1011 GMT, after hitting a fresh record high of US$3,790.82, earlier in the session. US gold futures for December delivery rose 1.1% to US$3,817.70. New Fed governor Stephen Miran called for aggressive rate cuts on Monday, adding that the Fed was misreading how tight it had set monetary policy and will put the job market at risk, a view countered in remarks by three of his colleagues who feel the central bank needs to remain cautious about inflation. *(Reuters)*

US: Current account narrows sharply in second quarter

The US current account deficit contracted by the most on record in the second quarter as a flood of imports subsided. The Commerce Department's Bureau of Economic Analysis said on Tuesday the current account deficit, which measures the flow of goods, services and investments into and out of the country, decreased by a record US$188.5 billion (RM791.6 billion), or 42.9%, to US$251.3 billion, reversing the prior month's jump. Data for the first quarter was revised to show the gap at US$439.8 billion, still an all-time high, instead of US$450.2 billion as previously reported. *(Reuters)*

MY: August inflation picks up slightly as insurance premiums climb, latest data show

Malaysia's August inflation picked up slightly, driven by increases in insurance premiums, as well as higher costs of personal care and restaurants, official data showed. The consumer price index (CPI), the country's main gauge of inflation, rose 1.3% in August when compared to the same month in 2024, the Department of Statistics Malaysia (DOSM) said in a statement on Tuesday. The print is a tad higher than July's 1.2% year-on-year gain but matched the median increase predicted in a *Bloomberg* survey. Insurance and financial services inflation accelerated to 5.6% in August from 5.5% in July, boosted by a 14.7% surge in hospital benefit insurance premiums, higher motor vehicle insurance charges, and steady motorcycle insurance premiums. *(The Edge)*

MY: Adds another US$100m to forex shield, pushing it to new decade high

Malaysia's international reserves have continued to climb in September, reaching a new 10-year high of US$122.8 billion, according to the latest data from Bank Negara Malaysia (BNM), boosting the country's defence against market volatility and external shocks. The latest figure, as at Sept 12, represents an increase of about US$100 million compared to US$122.7 billion a fortnight ago at end-August. The foreign exchange reserves data is released by the central bank every two weeks. The reserves are robust enough to finance 4.8 months of imports of goods and services. They are also equivalent to 0.9 times the nation's short-term external debt, a key indicator of financial stability. *(The Edge)*

UK: Export orders fall at fastest pace in five months, PMI shows

Demand for British exports declined at the fastest pace since April, when US President Donald Trump announced his global tariffs, according to a closely watched survey. S&P Global's purchasing managers' index declined to 51 from a one-year high of 53.5 registered in August, according to provisional estimates published Tuesday (Sept 23). The reading remained above the 50 threshold, indicating growth, but was below the 53 expected by economists. The reading was dragged lower by both services and manufacturing, with the slump in factory output intensifying this month. S&P's gauge of total new orders from abroad recorded its worst reading in five months and firms reported weaker sales to the US and Europe. *(Bloomberg)*

IN: Fiscal worries weigh on Indonesian rupiah; Indian rupee hits lifetime low

Emerging Asian currencies fell on Tuesday, with the Indonesian rupiah extending losses to a fourth session on growing fiscal concerns, while the Indian rupee hit a new low on a proposed hike in US visa fee. The rupee slipped 0.5% to hit an all-time low, pressured by the US visa fee hike, muted foreign equity inflows and a pickup in hedging. The country's central bank likely sold dollars via state-run banks near the 88.50 level to support the rupee before allowing it to slide further. In Indonesia, the parliament approved President Prabowo Subianto's budget proposal for 2026, which includes spending of 3,842.7 trillion rupiah (US$231.5 billion or RM970 billion) and forecasts the fiscal deficit at 2.68% of gross domestic product. *(Reuters)*

Corporate News

TXCD: Bags fresh construction contract in Sepang after previous deal scrapped

TXCD Bhd, formerly known as Ageson Bhd, has secured a new RM75.86 million contract in Sepang, Selangor, after mutually terminating an earlier agreement with Mateen Group. In a Bursa Malaysia filing on Tuesday, the Practice Note 17 (PN17) construction outfit said its wholly-owned unit Ageson Kensetsu Sdn Bhd was awarded the contract by Golden Chain Development Sdn Bhd to carry out piling and building works for a serviced residence and small office/home office (SOHO) project at Kampung Limau Manis, a Malay reserve land near Putrajaya. The new contract follows the termination of a RM75.67 million contract awarded by Mateen Group in June last year, which covered the same scope of works and location. *(The Edge)*

JFTECH: Invests in US firm to expand semiconductor testing business

JF Technology Bhd is taking up a 13% stake in California-based ATS Technology Services Inc (ATSI) for US$1.3 million (RM5.46 million) cash, in a bid to set up a semiconductor automatic test equipment test cell business in the US. The stake subscription was done via its 75%-owned indirect subsidiary ATS Technology Services Sdn Bhd (ATSSB), who inked a shareholders' agreement with ATSI shareholders. With the investment, which is to be financed by internal funds and inter-company borrowings, ATSSB is entitled to nominate one director to ATSI's board, according to JF Tech in a bourse filing. *(The Edge)*

TEXCYCL: Partners Victory Recovery Resources to expand scheduled waste management capabilities

Tex Cycle Technology (M) Bhd is expanding its scheduled waste management capabilities to focus on specialised waste stream through a collaboration with Melaka-based waste treatment and recycling solutions provider, Victory Recovery Resources Sdn Bhd. In a statement, Tex Cycle said the collaboration will allow both parties to manage a broader range of scheduled waste categories, while enhancing opportunities for cross-industry expansion, operational synergies and the ability to provide end-to-end sustainable waste management solutions across Malaysia. *(The Edge)*

SCGBHD: Director Fawiza ceases to be substantial shareholder

Southern Cable Group Bhd's non-independent non-executive director Fawiza Faiz has ceased to be a substantial shareholder of the Penang-based cables and wires manufacturer. This comes after Fawiza's private vehicle, Semangat Handal Sdn Bhd, disposed of 16.5 million shares or a 1.64% stake in Southern Cable via a direct business transaction on Sept 18, according to a filing with Bursa Malaysia on Tuesday. Following the disposal, Semangat Handal's shareholding fell to 4.19% from 5.83% as at mid-July. The filing did not reveal the disposal price. However, based on Southern Cable's closing price of RM2.12 on Sept 18, the stake could have been sold for RM34.98 million. *(The Edge)*

UTDPLT: Is The Edge BRC's Company of the Year 2025

United Plantations Bhd was named Company of the Year for 2025 at the 16th iteration of The Edge Billion Ringgit Club (BRC) awards. Sultan of Selangor, Sultan Sharafuddin Idris Shah Alhaj Ibni Almarhum Sultan Salahuddin Abdul Aziz Shah Alhaj graced the gala dinner and awards ceremony at the St Regis Hotel on Tuesday, accompanied by the Tengku Permaisuri of Selangor, Tengku Permaisuri Hajah Norashikin. A total of 53 awards were presented to 39 companies, including for corporate responsibility (CR). "I am told these awards are truly merit-based, based on transparent and trusted criteria and financial numbers. I find this positive and enlightening," Sultan Sharafuddin said in his speech, adding that he was "happy" to present the awards. In congratulating the winners, the sultan said: "May you continue to grow and be more successful in the years to come." *(The Edge)*

IREKA: Defaults on RM1.0m loan repayments to Hong Leong Bank, AmBank

Ireka Corporation Bhd has defaulted on loan repayments totalling RM1.0m owed to Hong Leong Bank Bhd and AmBank (M) Bhd. In a filing with Bursa Malaysia on Tuesday, Ireka said the default relates to financing facilities originally granted to its former wholly owned subsidiary, Ireka Engineering & Construction Sdn Bhd, which has since been wound up. As of Sept 23, 2025, the outstanding amounts were RM675,000 with Hong Leong Bank and RM364,962.88 with AmBank. Ireka said it is allocating its limited resources to sustain ongoing projects and to cover operational expenses to ensure business operations continuity. *(The Edge)*

KUCHAI: Proposes 44.8 sen special dividend, voluntary delisting

Kuchai Development Bhd has proposed a special dividend of 44.8 sen per share to be followed by the company's voluntary withdrawal from Bursa Malaysia. The property developer has been classified as a cash company following the completion of the disposal of all its assets and liabilities to Sungei Bagan Rubber Company (Malaya) Bhd for RM267.78 million in October last year. The deal was done via a issuance of 26.75 million shares at RM10.01 per share. The block represented a 28.79% stake in Sungei Bagan's enlarged share capital. "Following the completion of the disposal, Kuchai Development had been seeking suitable business opportunities to regularise its condition but has not been able to secure a suitable business to date," said Kuchai Development in a bourse filing on Tuesday. *(The Edge)*

Research Team
research@mersec.com.my

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		
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

Disclaimer & Disclosure of Conflict of Interest

The information contained in this report is based on data obtained from data and sources believed to be reliable at the time of issue of this report. However, the data and/or sources have not been independently verified and as such, no representation, express or implied, are made as to the accuracy, adequacy, completeness or reliability of the information or opinions in this report.

This report may contain forward-looking statements which are often but not always identified by the use of words such as “believe”, “estimate”, “intend” and “expect” and statements that an event or result “may”, “will” or “might” occur or be achieved and other similar expressions. Such forward-looking statements are based on assumptions made and information currently available to Mercury Securities Sdn Bhd. (“Mercury Securities”) and are subject to known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievement to be materially different from any future results, performance or achievement, expressed or implied by such forward-looking statements. Caution should be taken with respect to such statements and recipients of this report should not place undue reliance on any such forward-looking statements. Mercury Securities expressly disclaims any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or circumstances after the date of this publication or to reflect the occurrence of unanticipated events.

Accordingly, neither Mercury Securities nor any of its holding company, related companies, directors, employees, agents and/or associates nor person connected to it accept any liability whatsoever for any direct, indirect, or consequential losses (including loss of profits) or damages that may arise from the use or reliance on the information or opinions in this publication. Any information, opinions or recommendations contained herein are subject to change at any time without prior notice. Mercury Securities has no obligation to update its opinion or the information in this report.

This report does not have regard to the specific investment objectives, financial situation and particular needs of any specific person. Accordingly, investors are advised to make their own independent evaluation of the information contained in this report and seek advice from, amongst others, tax, accounting, financial planner, legal or other business professionals regarding the appropriateness of investing in any securities or the investment strategies discussed or recommended in this report. Nothing in this report constitutes investment, legal, accounting or tax advice or a representation that any investment or strategy is suitable or appropriate to your individual circumstances or otherwise represents a personal recommendation to you. This report is not intended, and should not under no circumstances be considered as an offer to sell or a solicitation of any offer or a solicitation or expression of views to influence any one to buy or sell the securities referred to herein or any related financial instruments.

Mercury Securities and its holding company, related companies, directors, employees, agents, associates and/or person connected with it may, from time to time, hold any positions in the securities and/or capital market products (including but not limited to shares, warrants and/or derivatives), trade or otherwise effect transactions for its own account or the account of its customers or be materially interested in any securities mentioned herein or any securities related thereto, and may further act as market maker or have assumed underwriting commitment or deal with such securities and provide advisory, investment, share margin facility or other services for or do business with any companies or entities mentioned in this report. In reviewing the report, investors should be aware that any or all of the foregoing among other things, may give rise to real or potential conflict of interests and should exercise their own judgement before making any investment decisions.

This report may provide the addresses of, or contain hyperlinks to websites. Mercury Securities takes no responsibility for the content contained therein. Such addresses or hyperlinks (including addresses or hyperlinks to Mercury Securities own website material) are provided solely for your convenience. The information and the content of the linked site do not in any way form part of this report. Accessing such website or following such link through the report or Mercury Securities’ website shall be at your own risk.

This report is not directed to or intended for distribution or publication outside Malaysia. If you are outside Malaysia, you should have regard to the laws of the jurisdiction in which you are located.

The views expressed in this research report accurately reflect the analyst’s personal views about any and all of the subject securities or issuers; and no part of the research analyst’s compensation was, is or will be, directly or indirectly, related to the specific recommendations or views expressed in the report.

Published & Printed By:

MERCURY SECURITIES SDN BHD
Registration No. 198401000672 (113193-W)
L-7-2, No 2, Jalan Solaris, Solaris Mont' Kiara,
50480 Kuala Lumpur
Telephone: (603) - 6203 7227
Website: www.mercurysecurities.com.my
Email: mercurykl@mersec.com.my