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Daily Newswatch

Market Review

The FBM KLCI edged up 0.1% on Monday to close at 1,627.43. Despite the slight gain, sentiment remained broadly stable as investors maintained a cautious stance ahead of upcoming US economic data releases following the government reopening, alongside Nvidia's impending earnings announcement. Sector performance was led by Construction (+1.1%), Energy (+0.7%), and Property (+0.5%). Among major constituents, Sunway, Sime Darby, and Axiata Group advanced 2.0%, 2.0%, and 1.9%, respectively. However, market breadth turned negative, with 604 losers outpacing 482 gainers, while 560 counters were unchanged.

Asian stock markets closed mostly in negative territory on Monday, as investors turned cautious amid fading expectations of a US rate cut and growing concerns over stretched technology valuations. The Shanghai Composite fell 0.5% to 3,972.0, the Nikkei 225 slipped 0.1% to 50,323.9, while the Hang Seng declined 0.7% to 26,384.3. In contrast, TAIEX rose by 0.2% to 27,447.3. In Shanghai, losses were led by the Health Care (-1.8%), Financials (-1.4%), and Materials (-0.7%) sectors. Notable decliners included Jiangsu Bioperfectus Technology (-14.7%), Zhejiang Sunriver Culture Tourism (-10.0%), and Argus Shanghai Textile Chemical (-10.0%). Meanwhile, Taiwan's gains were supported by strength in the Energy (+3.2%), Information Technology (+0.4%), and Communication Services (+0.1%) sectors.

European stocks closed firmly lower for the third straight session on Monday, as falling prospects of a Federal Reserve rate drop next month weighed on shares across the continent. The STOXX 50 lost 0.9% to 5,641, while the STOXX 600 dipped 0.5% to 571. Lingering concerns that delayed US economic data releases might confirm evidence of tenacious inflation fuelled hawkish Fedspeak by key members, putting pressure on risk assets. Consumer cyclicals led the losses in the Eurozone, with LVMH, Hermes, and Inditex down 3.5% to 1.5%. Banks also suffered losses, with Santander and ING dropping between 2% and 1.5%, while Adyen and Infineon led the losses in technology ahead of Nvidia's earnings after Wednesday's close.

Wall Street fell on Monday, with the S&P 500 down 0.9%, the Nasdaq Composite down 0.8% and the Dow losing 1.2%, as sentiment toward the AI trade deteriorated ahead of Nvidia's results release on Wednesday. The report will be examined amid concerns about bloated AI valuations, even if many expect the chipmaker to outperform expectations once more. Caution was heightened after documents revealed Peter Thiel sold his nearly USD 100 million stake in Nvidia. Fed Vice Chair Philip Jefferson warned about the job market's downside risks and emphasized the importance of a cautious policy stance. In corporate news, Berkshire Hathaway acquired 17.9 million Alphabet shares in Q3 while trimming holdings in Bank of America and Apple. Meanwhile, Ford reached a deal with Amazon to sell certified used cars on the e-commerce giant's platform, becoming the second major automaker to do so.

Macro Snapshots

- **US:** Rare earth deal will 'hopefully' be done by Thanksgiving, Bessent says
- **US:** FAA lifts all remaining flight cuts imposed during shutdown
- **CN:** Pulls back govt spending by most in over four years

Corporate Snapshots

- **AAX:** Planning new long-haul European routes, CEO says
- **AWC:** Bags second waste system contract in Singapore, worth RM14.8m
- **PMBTECH:** Reports warehouse fire at Sarawak silicon facility, no injuries

Key Indices	Last Close	Daily chg %	YTD chg %
FBM KLCI	1,627.4	0.1	(0.9)
Dow Jones	46,590.2	(1.2)	9.5
Nasdaq CI	22,708.1	(0.8)	17.6
S&P 500	6,672.4	(0.9)	13.4
SX5E	5,640.9	(0.9)	15.2
FTSE 100	9,675.4	(0.2)	18.4
Nikkei 225	50,323.9	(0.1)	26.1
Shanghai CI	3,972.0	(0.5)	18.5
HSI	26,384.3	(0.7)	31.5
STI	4,543.6	(0.1)	20.0

Market Activities	Last Close	% Chg
Vol traded (m shares)	3,770.1	3.5
Value traded (RM m)	2,467.7	(8.0)
Gainers	462	
Losers	632	
Unchanged	576	

Top 5 Volume	Last Close	Daily chg %	Vol (m)
MMAG	0.060	(20.0)	120.6
TANC	0.965	1.0	82.9
PHRM	0.235	(9.6)	48.8
TWL	0.025	0.0	44.8
PERAK	0.285	7.5	38.3

Top 5 Turnover	Last Close	Daily chg %	Val (RM m)
PMAH	6.460	0.5	133.5
MAY	9.920	(0.1)	102.3
CIMB	7.610	1.1	82.9
IHH	8.200	(0.8)	94.7
GAM	5.240	1.4	86.0

Currencies	Last Close	% Chg
USD/MYR	4.150	(0.4)
USD/JPY	155.290	(0.0)
EUR/USD	1.159	(0.0)
USD/CNY	7.108	(0.1)
US Dollar Index	99.588	0.3

Commodities	Last Close	% Chg
Brent (USD/barrel)	64.2	(0.3)
Gold (USD/troy oz)	4,038.5	(0.2)
CPO (MYR/metric t)	4,126.0	0.2
Bitcoin (USD/BTC)	91,954.2	0.1

Source: Bloomberg

Macro News

US: Rare earth deal will 'hopefully' be done by Thanksgiving, Bessent says

A rare earth deal between the US and China will "hopefully" be done by Thanksgiving, Treasury Secretary Scott Bessent said in remarks that aired on Sunday. Bessent's comments follow a framework agreement announced last month in which Washington agreed not to impose 100% tariffs on Chinese imports and China would hold off on an export licensing regime for crucial rare earth minerals and magnets. "I am confident that post our meeting in [South] Korea between the two leaders, President Trump [and] President Xi [Jinping], that China will honour their agreements," Bessent told *Fox News*' *Sunday Morning Futures* programme. (*Reuters*)

US: Trump says Republicans drafting bill to sanction countries that trade with Russia, may add Iran to list

US President Donald Trump said on Sunday that Republicans are working on legislation that will impose sanctions on any country doing business with Russia, and he said Iran may get added to that list. "As you know, I suggested it, so any country that does business with Russia will be very severely sanctioned," Trump told reporters. "They may add Iran to that," he added. *(Reuters*)

US: FAA lifts all remaining flight cuts imposed during shutdown

US airlines will be able to resume normal operations starting Monday (Nov 14) after more than a week of government-mandated flight reductions. The US Transportation Department and Federal Aviation Administration announced late Sunday they would lift cuts across 40 major US airports that were imposed during the government shutdown, starting from 6am Monday New York time (7pm Malaysia). On Friday, officials earlier eased up on flight reductions, capping them at 3% from 6%. "Today's decision to rescind the order reflects the steady decline in staffing concerns across the national airspace system and allows us to return to normal operations," FAA Administrator Bryan Bedford said in the statement. (*Bloomberg*)

US: Bond traders eye make-or-break data to chart Fed's next move

Bond traders are bracing for a deluge of data that will solidify expectations for how quickly the Federal Reserve (Fed) will continue the interest-rate cuts that have driven US Treasuries to the biggest gains since 2020. The end of the government shutdown means that agencies will start releasing key reports that were held back since the start of October, including the September employment report on Thursday. The lack of government data during the closure made it difficult to gauge the direction of the economy. Data from private data sources, like the payroll company ADP, however, continued to underscore the weakening in the job market that drove the Fed to lower its benchmark rate at the September and October meetings, ending what had been a nine-month pause. (*Bloomberg*)

CN: China, Germany call for closer commercial ties, end to trade tensions

China's Vice-Premier He Lifeng and German Finance Minister Lars Klingbeil said the two countries should strengthen their commercial ties and bring an end to months of trade tensions between the world's second- and third-largest economies. Klingbeil is making the first visit by a minister from Chancellor Friedrich Merz's government, more than six months after the conservative-led coalition took office, and following a cancelled trip by Foreign Minister Johann Wadephul last month after China rejected all but one of his requested meetings. Ties between the two industrial powerhouses have been strained over Chinese export curbs on chips and rare earths, causing major disruptions for German firms. (*Reuters*)

CN: Pulls back govt spending by most in over four years

China's broad fiscal spending slumped in October by the most since at least 2021, crippling a key driver of investment and economic growth. The combined expenditure in China's two main budgets — the general public account and the government-managed fund book — tumbled 19% in October from a year earlier to 2.4tn yuan (US$334bn or RM1.3tn), according to *Bloomberg* calculations based on data released by the Ministry of Finance on Monday. It was the steepest slide since comparable data started in early 2021, while the value of money spent was the least since July 2023. The plunge reflects an evolution of government policies and underlines waning fiscal support for the world's second-largest economy, which lost steam across the board last month. (*Bloomberg*)

MY: Main manufacturing sectors under NIMP 2030 attract RM29.2bn investments from January-June 2025

The main sectors under the New Industrial Master Plan 2030 (NIMP 2030) — namely electrical and electronics, pharmaceuticals, chemicals, aerospace and medical devices — recorded investments totalling RM29.2 billion, representing 42.7% of the total investments approved under the manufacturing sector of RM68.4 billion for the January-June 2025 period. According to the Ministry of Investment, Trade and Industry (Miti), the investments include 178 projects with the potential to create 17,056 job opportunities. "Capital investment per employee recorded a value of RM1.7m per job, which is more than 12 times the minimum benchmark of RM140,000. (*Bernama*)

MY: Aiming to move up E&E value chain, says Amir Hamzah

Malaysia's next strategy for the electrical and electronic (E&E) and semiconductor industry is to scale up its value chain amid global trade challenges, said Finance Minister II Datuk Seri Amir Hamzah Azizan. He said the government's role is to provide capital and support along the way for the industry, in terms of strengthening the country's infrastructure to support businesses. "What we are trying to do is strengthen the ecosystem that exists, so that the more players we have and the more work that is built around supplying to the ecosystem. "So, Malaysia's next push now is that we want to go up the value chain a bit more, which includes advanced packaging and chip design," he said during a panel session at the Fortunate Innovation Forum on Monday. (*Bernama*)

Corporate News

AAX: Planning new long-haul European routes, CEO says

Malaysian low-cost carrier AirAsia X Bhd, which recently launched flights to Istanbul, is planning to establish more long-haul routes to Europe sometime next year, its CEO Benyamin Ismail told *Reuters* on Monday. AirAsia X began flying direct to Istanbul from Kuala Lumpur on Nov 14. The route marked a return to Europe for the airline, which underwent a corporate restructuring after its operations were hit hard during the Covid-19 pandemic. AirAsia X now operates four flights per week between Istanbul and Kuala Lumpur, offering more than 150,000 seats annually. It aims to ramp that up to daily flights between the two cities, Ismail told Reuters on the sidelines of a press conference in Istanbul. Ismail said AirAsia X plans to connect Asia to European cities via Istanbul and will also introduce other long-haul routes to Europe as part of efforts to expand the airline's footprint beyond Asia. (*Reuters*)

AWC: Bags second waste system contract in Singapore this year, worth RM14.8m

AWC Bhd has secured a contract worth S$4.7m (RM14.8m) to design, build and operate a pneumatic waste conveyance system (PWCS) for Singapore's Housing & Development Board (HDB). In an exchange filing on Monday, the engineering services group said its Singapore-based sub-subsidiary Stream Environment (S) Pte Ltd had received the Letter of Acceptance last Friday (Nov 14) for works spanning two project phases. The contract covers design works for each phase over 12 months, followed by construction works over a 24-month period, with commencement for each phase subject to written instruction from HDB. AWC said it does not anticipate any unusual risks beyond typical operational and execution risks associated with PWCS projects, noting that Stream Environment has delivered similar systems for multiple HDB developments. (*The Edge*)

PTT: Proposes RM56m private placement to support construction, property projects

PTT Synergy Group Bhd has proposed a private placement of up to 43.2m new shares to raise as much as RM56.2m, mainly to fund working capital for its construction and property development projects. In a bourse filing on Monday, the group said the placement, representing up to 10% of its issued shares, will be carried out in one or more tranches, with the issue price to be determined later. PTT Synergy said the proceeds, based on an illustrative issue price of RM1.30 per share, will be used primarily to meet working capital requirements, including payments to trade creditors for materials such as steel, cement, precast concrete and automated storage and retrieval systems. Of the expected proceeds, RM55.4m has been earmarked for working capital, while RM800,000 will go towards expenses related to the placement exercise. (*The Edge*)

NESTLE: Settle seven-year QR code dispute

Nestlé (Malaysia) Bhd's unit, Nestlé Products Sdn Bhd (NPSB), and Mad Labs Sdn Bhd have settled a seven-year lawsuit over the alleged unauthorised use of Mad Labs' QR code on Nestlé products. In a Bursa Malaysia filing on Monday, Nestlé said both parties appeared before the High Court to record an agreement to settle and withdraw all claims, including pending appeals at the Court of Appeal. Each party will bear its own costs. Nestlé added that the settlement has no material impact on its finances or operations. The dispute began in March 2019 after Mad Labs claimed NPSB wrongfully used its QR code, as it sought RM139.3m in damages and an order to stop the company from using it. The issue followed a 2018 incident where QR codes on some Maggi products redirected users to offensive content, prompting the police and Malaysian Communications and Multimedia Commission (MCMC) involvement. (*The Edge*)

KEYFIELD: Nets RM85m gain from workboat disposal to Brunei's Mashhor group

Keyfield International Bhd announced it is selling one of its accommodation workboats to Brunei's Mashhor group for US$36.8m (RM151.9m), generating a gain of RM85m. In a bourse filing, the group said its wholly-owned subsidiary, Keyfield Resolute Sdn Bhd (KRSB), has entered into the agreement to dispose of Keyfield Compassion (CPS), a six-year-old Dynamic Positioning 2 Accommodation Workboat, to Petro Laut Sdn Bhd, part of the Mashhor group. Mashhor, with over 45 years of experience, provides a wide range of onshore and offshore services including hydrocarbon facilities, marine operations, transport, logistics and engineering solutions. Keyfield group chief executive officer and executive director Datuk Darren Kee Chit Huei said the disposal enables the group to unlock CPS' value. (*The Edge*)

PMBTECH: Reports warehouse fire at Sarawak silicon facility, no injuries

PMB Technology Bhd on Monday reported that a fire broke out at its silicon plant in the Samalaju Industrial Park, Bintulu, Sarawak on Saturday (Nov 15), though the incident was swiftly contained and did not disrupt overall operations. In a filing with Bursa Malaysia, the group said the blaze, which started shortly after 6pm in one of the warehouses at the facility, was extinguished without spreading to other parts of the plant. It added that no casualties were reported, while swift evacuation procedures ensured the safety of all personnel. "Based on the company's initial site examination assessment, the incident did not result in any material financial impact," PMB Technology said. *(The Edge)*

INFOM: Secures RM66m Home Ministry contract for JPN systems support

Infomina Bhd has secured a RM66.1m contract from the Home Ministry for the provision of technology infrastructure operations, maintenance and support services to the National Registration Department (JPN). In a bourse filing, Infomina said it had on Monday signed and accepted the letter of acceptance, which covers comprehensive maintenance of JPN's core system operation infrastructure and its green data centre, on a performance-based contract. The 36-month contract, running from Nov 17, 2025 to Nov 16, 2028, includes preventive maintenance, maintenance repairs, software licence renewals, onsite operations, technical and support services, disaster recovery and backup facilities, as well as related training. *(The Edge)*

CYPARK: Ami Moris is new chair of CEO Action Network Malaysia

Datuk Ami Moris, group managing director of Cypark Resources Bhd, has been appointed the new chair of CEO Action Network (CAN), a closed-door peer-to-peer informal network of CEOs and board members focused on sustainability advocacy, capacity building, action and performance in Malaysia. Ami takes the helm from Datuk Fad'l Mohamed, CEO of Bursa Malaysia Bhd, who was interim chair after taking over from Datuk Muhamad Umar Swift, former CEO of Bursa Malaysia. In this new role, Ami will work with peers on the CAN steering committee to oversee the network's direction, strengthen partnerships and champion programmes to address the most critical challenges facing Malaysian CEOs, particularly those associated with climate change, social equity and long-term resilience, according to CAN's press release. *(The Edge)*

Upcoming key economic data releases	Date
US Building Permits	Nov 19
US Housing Starts	Nov 19
US FOMC Minutes	Nov 20
US Existing Home Sales	Nov 20
Source: Bloomberg	

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Stock Selection Based on Dividend Yield

	Sector	Price (RM)	Dividend/Share (RM)	Dividend Yield (%)
REXIT	Technology	0.52	0.05	9.71
Taliworks Corporation	Utilities	0.53	0.05	9.52
Bermaz Auto	Consumer	0.56	0.05	8.75
British American Tobacco (M)	Consumer	4.55	0.38	8.42
MBM Resources	Consumer	5.18	0.42	8.07
Sentral REIT	REIT	0.79	0.06	7.85
KIP REIT	REIT	0.89	0.07	7.64
CapitaLand Malaysia Trust	REIT	0.63	0.05	7.36
Ta Ann Holdings	Plantation	4.19	0.31	7.30
Paramount Corporation	Property	1.04	0.07	7.21
MAG Holdings	Consumer	1.40	0.09	6.79
Magnum	Consumer	1.40	0.09	6.79
Sports Toto	Consumer	1.39	0.09	6.69
YTL Hospital REIT	REIT	1.12	0.07	6.61
Kim Loong Resources	Plantation	2.33	0.15	6.57

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		
Aquawalk Group Berhad	ACE Market	0.31	368.6	368.6	07 Nov	19 Nov
Polymer Link Holdings Berhad	ACE Market	0.25	97.1	24.1	11 Nov	25 Nov
Foodie Media Berhad	ACE Market	0.30	138.0	112.0	19 Nov	28 Nov
PSP Energy Berhad	ACE Market	0.16	213.8	74.8	21 Nov	04 Dec
Geohan Corporation Berhad	MAIN Market	0.55	132.0	-	21 Nov	05 Dec
BMS Holdings Berhad	ACE Market	0.22	364.0	156.0	19 Nov	08 Dec
LAC Med Berhad	MAIN Market	0.75	74.2	30.0	25 Nov	10 Dec

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