



Daily Newswatch

Market Review

The FBM KLCI slipped -0.3% to 1,616.5 points on Friday, ending the week softer as expectations of a potential Bank of Japan rate hike weighed on sentiment. A shift in Japan's monetary policy could disrupt yen carry trades and prompt foreign funds to pare exposure. Consumer Products & Services (-1.1%), Technology (-1.0%) and Telecommunications & Media (-1.0%) were the weakest sectors. Axiata Group fell -6.0%, followed by Nestle Malaysia (-3.2%) and Mr DIY Group (-2.7%), while market breadth turned negative at 598 losers against 437 gainers (558 unchanged). For the week, Velesto Energy (+8.7%), Hong Leong Industries (+8.1%) and Petronas Chemicals Group (+8.0%) led the gainers, whereas Inari Amertron (-16.4%), IGB (-14.1%) and PPB Group (-7.6%) lagged. Sector-wise, Healthcare (+1.5%), Energy (+1.2%) and Financial Services (+1.2%) outperformed, while REIT (-2.6%), Consumer Products & Services (-1.2%) and Utilities (-0.9%) saw the steepest declines.

Asian stocks closed higher on Friday, supported by optimism over governance reforms and renewed domestic fund inflows. The Shanghai Composite climbed +0.7% to 3,902.8 points, the Hang Seng gained +0.6% to 26,085.1 points, Taiwan's TAIEX advanced +0.7% to 27,980.9 points and the KOSPI jumped +1.8% to 4,100.1 points. In China, Materials (+2.1%), Industrials (+1.3%) and Consumer Discretionary (+0.7%) outperformed, led by Suzhou Everbright Photonics (+20.0%), Transwarp Technology Shanghai (+17.0%) and Shenzhen Rayitek Hi-tech (+16.6%). In South Korea, Consumer Durables (+6.4%), Distribution Services (+2.6%) and Producer Manufacturing (+2.5%) outperformed, with Dongyang Express, NamKwang Engineering & Construction and Kolon Mobility Group each rising +30%. For the week, the Shanghai Composite added +0.4%, the Hang Seng +0.9%, Taiwan's TAIEX +1.3% and the KOSPI +4.4%.

European markets edged higher, marking a second week of gains as investors assessed next year's rate outlook, rising AI capex returns and hopes of a Russia-Ukraine ceasefire. The STOXX 50 rose 0.1% to 5,726 (+1% for the week), while the STOXX 600 was flat at 579 (+0.4% week-on-week). Automakers Mercedes-Benz, Volkswagen and BMW gained between 4% and 2%, while Schneider, ASML and Nokia weakened as Infineon extended its gains.

US stocks closed higher on Friday, with the S&P 500 up 0.2%, the Nasdaq 0.3% and the Dow 0.2%, as a soft PCE print and firmer Michigan sentiment boosted odds of a 25bp Fed cut next week, now priced at 87%. Core PCE rose 0.2% in September and the annual rate eased to 2.8%, while sentiment improved and near-term inflation moderated. Alphabet (+1.2%), Meta (+1.8%) and Broadcom (+2.4%) supported gains, while XLK rose for a tenth session and Salesforce jumped 5.3%. For the week, the S&P 500 gained 0.4%, the Nasdaq 0.9% and the Dow 0.5%.

Macro Snapshots

- **US:** Stocks higher, dollar set for second straight weekly loss
- **US:** Treasury market tops US\$30tn, doubling since 2018
- **CN:** Set to stick with export-driven growth as it shakes off tariff scare
- **MY:** Tax refund allocation increased to RM4bn

Corporate Snapshots

- **SUNWAY:** Breaks ground on RM2bn Seremban Sentral
- **NGGB:** IOI to jointly acquire land in Pekan to kick-start pulp production facility
- **MAGMA:** Proposes RM50m private placement to fund property project
- **EMCC:** Secures RM50m revolving credit line from Bank Islam

Key Indices	Last Close	Daily chg %	YTD chg %
FBM KLCI	1,616.5	(0.3)	(1.6)
Dow Jones	47,955.0	0.2	12.7
Nasdaq CI	23,578.1	0.3	22.1
S&P 500	6,870.4	0.2	16.8
SX5E	5,723.9	0.1	16.9
FTSE 100	9,667.0	(0.5)	18.3
Nikkei 225	50,491.9	(1.1)	26.6
Shanghai CI	3,902.8	0.7	16.4
HSI	26,085.1	0.6	30.0
STI	4,531.4	(0.1)	19.6

Market Activities	Last Close	% Chg
Vol traded (m shares)	3,171.9	(29.2)
Value traded (RM m)	2,240.7	(18.4)
Gainers	437	
Losers	598	
Unchanged	558	

Top 5 Volume	Last Close	Daily chg %	Vol (m)
VEB	0.250	2.0	67.8
VSI	0.470	2.2	63.1
TANC	1.170	1.7	54.3
ZETRIX	0.815	(2.4)	53.9
GEOHAN	0.540	(1.8)	28.2

Top 5 Turnover	Last Close	Daily chg %	Val (RM m)
TNB	12.640	1.1	218.2
CIMB	7.910	(0.1)	85.3
PMAH	6.710	(0.3)	73.9
MAY	10.180	(0.6)	70.8
TANC	1.170	1.7	63.4

Currencies	Last Close	% Chg
USD/MYR	4.112	0.0
USD/JPY	155.330	(0.1)
EUR/USD	1.164	(0.0)
USD/CNY	7.071	0.0
US Dollar Index	98.992	0.0

Commodities	Last Close	% Chg
Brent (USD/barrel)	63.8	0.8
Gold (USD/troy oz)	4,197.8	(0.2)
CPO (MYR/metric t)	4,095.0	0.7
Bitcoin (USD/BTC)	88,208.7	(1.4)

Source: Bloomberg



Macro News

US: Stocks higher, dollar set for second straight weekly loss as investors eye Fed cut

Global shares gained on Friday, after key US economic data solidified investor expectations of a Federal Reserve (Fed) rate cut next week, a likelihood that weighed on the dollar and boosted gold. Wall Street stocks finished higher and notched a second straight week of gains, with communication services, consumer discretionary, and technology leading the pack. Utilities, energy and healthcare stocks drove losses. The Dow Jones Industrial Average rose 0.2%, the S&P 500 rose 0.2%, and the Nasdaq Composite rose 0.3%. European stock markets finished little changed and secured a modest 0.4% gain for the week. MSCI's index of stocks across the globe edged up 0.1%, on track for the second straight session of gains. *(Reuters)*

US: Treasury market tops US\$30tn, doubling since 2018

US government debt in Treasuries topped US\$30tn (RM123.5tn) for the first time — having more than doubled since 2018 as the pandemic-era borrowing surge takes its toll. The combined total amount of Treasury bills, notes and bonds increased by about 0.7% in November to US\$30.2tn, according to data released Thursday. A borrowing surge in 2020 to finance pandemic-related spending and higher borrowing rates have driven up the cost of paying interest on the debt, which accounts for growing share of the federal deficit. “The gap between what the government spends and what it takes in has been persistent, which is why the debt burden has continued to grow over the last two decades,” said Guneet Dhingra, head of US interest-rate strategy at BNP Paribas. *(Bloomberg)*

US: Senators seek to block Nvidia from selling top AI chips to China

Nvidia Corp would be barred from shipping advanced artificial intelligence (AI) chips to China under bipartisan legislation unveiled Thursday, in a bid to codify existing US restrictions on exports of advanced semiconductors to the Chinese market. Known as the Secure and Feasible Exports Act, the bill would order the Commerce Department to halt export licences for sales of chips to adversaries including China and Russia for at least 30 months. Any processors more powerful than those already approved for export to those nations would be subject to the measure, including chips from Advanced Micro Devices Inc and Alphabet Inc's Google. *(Bloomberg)*

CN: Set to stick with export-driven growth as it shakes off tariff scare

China's leaders are widely expected to stick with its manufacturing-led growth strategy in key policy meetings this month, even as calls grow at home and abroad for a more urgent shift towards consumption. The Communist Party's decision-making Politburo typically convenes in early December, followed within days by the Central Economic Work Conference. While the meeting statements won't contain specific policy measures, they serve as a useful guide to understand policymakers' priorities. *(Bloomberg)*

CN: Pledges to boost imports, sign more trade deals in next five years

China will ramp up efforts to expand imports and develop balanced trade in the next five years, Commerce Minister Wang Wentao said in an interview with state news agency Xinhua on Friday. Wang said Beijing plans to sign more trade and investment deals in 2026-2030, when the country will implement a new five-year plan. China will step up policies that directly benefit consumers, expand auto consumption and encourage the replacement and upgrading of household appliances, he added. *(Reuters)*

MY: Tax refund allocation increased to RM4bn to expedite outstanding payments

The government has increased the tax refund allocation from RM2bn to RM4bn, in order to expedite outstanding payments to taxpayers, said Prime Minister Datuk Seri Anwar Ibrahim. Anwar, who is also finance minister, said this move was necessary as the government should not owe money to the public and as such, the Inland Revenue Board of Malaysia (LHDN) will commence the phased processing of refunds to eligible taxpayers starting Monday (Dec 8). He added that the Ministry of Finance is reviewing whether the RM4bn allocation is sufficient and, if necessary, will increase the amount. *(Bernama)*

MY: Sarawak begins power export to Sabah, moves towards Borneo Grid

Sarawak has started supplying electricity to Sabah through its power grid, marking a significant step towards realising a unified Borneo Grid, Sarawak Premier Tan Sri Abang Johari Tun Openg said. He said the expansion reflects Sarawak's emergence as a regional energy provider built on a strong foundation of renewable resources. “Two days ago, we started supplying power through the Sarawak grid to Sabah. Now, we can form the Borneo Grid because we are supplying to West Kalimantan, and we have investment in North Kalimantan,” he said at a memorandum of understanding signing ceremony between the Bintulu Development Authority and Press Metal Aluminium Holdings Bhd in Bintulu on Saturday. *(Bernama)*



Corporate News

SUNWAY: Breaks ground on RM2bn Seremban Sentral

Sunway Group on Saturday broke ground for the RM2bn Seremban Sentral transit-oriented development. The project is expected to generate up to RM300m in annual business revenue and create approximately 2,500 new jobs. In his officiating speech at the groundbreaking ceremony on Saturday, Transport Minister Anthony Loke Siew Fook said, "Seremban Sentral is more than just a physical development project. It represents a new chapter that will strengthen the identity of this city as a modern and sustainable economic centre. With the support of the state government, authorities, technical agencies and our development partners, we are shaping not just the future of Seremban but also integrating its heritage values into progress to ensure the successful realisation of this project." (*The Edge*)

NGGB: IOI to jointly acquire land in Pekan to kick-start pulp production facility

A company majority-owned by Nextgreen Global Bhd and IOI Corp Bhd is buying 32.8 hectares of industrial land in Pekan, Pahang for RM70.4m to build an empty-fruit-bunch (EFB) pulp production facility. The company, Neuwhite Paper Pulp Sdn Bhd, is 75%-owned by Nextgreen IOI Pulp Sdn Bhd (NIP), which is a 55:45 joint venture between Nextgreen and IOI Corp. The remaining 25% stake in Neuwhite is held by Hong Kong Paper Sources Co Ltd, a wholly-owned subsidiary of China's Xiamen C&D. In filing with Bursa Malaysia on Friday, Nextgreen said Neuwhite has entered into a deal to buy the land — located in Kampung Paloh Hinai, Pekan within the Green Technology Park — from Ultimate Ivory Sdn Bhd, a wholly-owned subsidiary of Nextgreen. (*The Edge*)

MISC: Appellate court cuts arbitration award in MISC's semi-floating production system dispute with Sabah Shell

The Court of Appeal has reduced the value of an arbitral award against a wholly owned subsidiary of MISC Bhd in its long-running legal dispute with Sabah Shell Petroleum Company Ltd (SSPC) over the Gumusut-Kakap semi-floating production system (semi-FPS). In a filing on Friday, MISC, which is 51%-controlled by Petroliam Nasional Bhd (PETRONAS), said the court had allowed in part the appeal by its unit Gumusut-Kakap Semi-Floating Production System (L) Ltd (GKL) against the dismissal of its bid to set aside parts of the 2020 arbitral award and the enforcement order in favour of SSPC. The decision reduces the value of the arbitral award to SSPC to US\$200m (RM822.2m), down from US\$330.2m previously, excluding costs and interest. (*The Edge*)

GENTING: Lodges new RM5bn note programme, issues RM1.3bn tranche under earlier programme, to part-finance GENM takeover

Genting Bhd said the group is establishing an unrated medium-term notes (MTN) programme of up to RM5bn in nominal value, with the first series used to partly finance the takeover offer for Genting Malaysia Bhd. Genting's wholly-owned subsidiary Genting Vista Bhd lodged the programme with the Securities Commission Malaysia (SC) on Friday, according to the conglomerate's filing with Bursa Malaysia. The programme will have a perpetual tenure, while each MTN issuance will carry a minimum tenure of one year. The coupon rate for each tranche will be fixed or floating, to be determined prior to issuance. (*The Edge*)

MAGMA: Proposes RM50m private placement to fund property project, hotel upgrades

Magma Group Bhd has proposed a private placement of up to 168.1m new shares, representing up to 10% of its issued share capital, to raise up to RM50.1m to fund property development works and investments in its hotel division. The placement will be undertaken in one or more tranches, with the issue price to be determined later, the group said in a filing with Bursa Malaysia. For illustration, Magma assumed an issue price of 29.8 sen per share, a 9.97% discount to its five-day volume-weighted average price of 33.1 sen as at Nov 14. Of the RM50.1m in gross proceeds, RM32m will be allocated for property development costs in Persiaran Dutamas, Kuala Lumpur — covering contractor payments, consultancy fees, preliminaries and marketing expenses. (*The Edge*)

EMCC: Secures RM50m revolving credit line from Bank Islam

Evergreen Max Cash Capital Bhd said it has secured a RM50m short-term revolving credit facility from Bank Islam Malaysia Bhd for its pawnbroking business. The facility will be used to finance the cash capital requirements of the group's wholly owned subsidiary Evergreen Cahaya Holdings Sdn Bhd (ECH), which undertakes the group's pawnbroking activities, according to a filing with Bursa Malaysia on Friday. Short-term revolving credit facilities in the pawnbroking industry usually refer to a flexible borrowing line that allows a pawnbroker to draw, repay and redraw funds as needed. Such facilities enhance liquidity by enabling a company to issue new pawn loans and meet redemption demands, both of which require substantial cash availability. (*The Edge*)

ANCOMNY: Welcomes Thai partner for new chemicals unit in RM77m tie-up

Ancom Nylex Bhd has agreed to sell up to a 50% stake in a new unit to be formed under an internal restructuring to a Thai partner in a deal worth close to RM77m. The proposed transaction will begin with an initial 25% stake sale in Maxlive Sdn Bhd for US\$9.3m (RM38.3m) to TOPNEXT International Company Ltd, followed by another 25% at the same price, subject to a call option within five years of the first tranche's completion, according to the term sheet. "The exercise would place us in a stronger position to reinforce and broaden our product portfolio, ensuring that we are well placed to capture opportunities when the market enters its next upward trajectory," said Ancom Nylex executive vice-chairman Datuk Siew Ka Wei. (*The Edge*)

QUALITY: Bags RM295m Mukah water supply project

Sarawak-based construction firm Quality Concrete Holdings Bhd has secured a contract worth RM294.6m for the proposed Mukah water supply system in the state. The contract was awarded by the Sarawak Rural Water Supply Department and the scope of works covers the construction and upgrading of water supply infrastructure for the Mukah division, the company said. The 30-month contract begins in January 2026, said Quality Concrete in a filing with Bursa Malaysia on Friday. Quality Concrete's business portfolio spans construction, manufacturing and property development. The construction activities have weighed on earnings in recent quarters. *(The Edge)*

BINTAI: Takes vendor to court over RM9.1m profit guarantee in Johnson Medical acquisition

Bintai Kinden Corporation Bhd has moved ahead with legal action to recover RM9.1m from the vendor of its 2021 acquisition of Johnson Medical International Sdn Bhd. In a bourse filing on Friday, the Practice Note 17 (PN17) company said it had filed a writ of summons and statement of claim at the High Court of Melaka for the recovery of RM9.1m tied to the profit guarantee under the agreement signed with vendor Yeo Eng Lam in April 2021, along with compensation, interest of 5% per annum from Oct 25, 2023, costs on a solicitor-and-client basis, and other reliefs deemed fit by the court. *(The Edge)*

GEOHAN: Slips below IPO price on first Main Market day

Geohan Corp Bhd ended its first trading day on the Main Market lower than its initial public offering (IPO) price. The counter opened at 54 sen, one sen lower than its IPO price of 55 sen. It then traded between a high of 55 sen and a low of 50 sen, before settling at 54 sen at the closing bell, with some 28.1m shares traded. At its closing price, Geohan was valued at RM237.6m. "We are all set to capture the opportunities coming from Malaysia's expanding infrastructure sector and Singapore's booming construction industry," Geohan managing director Lee Kim Seng said at the listing ceremony on Friday. *(The Edge)*

JSB: Faces legal challenge over Dec 4 EGM

Jentayu Sustainables Bhd said it has been served with an originating summons and injunction application by shareholder Andy Lai Wee Young, who is challenging the company's decision to postpone its extraordinary general meeting and seeking to invalidate the resolutions passed on Dec 4. In a bourse filing on Friday, the group said it received the sealed court documents on Dec 1, following a filing by Lai — a shareholder with 1.4m shares — on Nov 28. The legal action disputes the board's authority to postpone the Oct 22 meeting to Dec 4 and seeks court declarations that the notice of postponement, the reconvened meeting and its resolutions are invalid. *(The Edge)*

ECOFIRS: Sees boardroom changes with departure of two directors

Property developer EcoFirst Consolidated Bhd announced boardroom changes on Friday with the departure of its non-independent non-executive director Datuk Ng Hock Heng and independent non-executive director Chin Wing Wah. In a filing with Bursa Malaysia, EcoFirst said they also stepped down from the audit, nomination and remuneration committee. Both cited personal reasons as grounds for their departure. Ng, 58, joined the group in 2015 as an independent non-executive director and was redesignated as non-independent non-executive director of the company last month. Chin, 61, joined the board in 2022. The group's then chairman Datuk Faisal Zelman Abdul Malik passed away in November, which led to Chew Hian Tat taking up the role. *(The Edge)*

Upcoming key economic data releases	Date
US JOLTS Job Openings (Sep)	Dec 09
US 10-Year Note Auction	Dec 09
US Crude Oil Inventories	Dec 10
US FOMC Economic Projections	Dec 10
US FOMC Statement	Dec 10
US Fed Interest Rate Decision	Dec 10
US FOMC Press Conference	Dec 10
US Initial Jobless Claims	Dec 11
US 30-Year Bond Auction	Dec 11
<i>Source: Bloomberg</i>	



Stock Selection Based on Dividend Yield

	Sector	Price (RM)	Dividend/Share (RM)	Dividend Yield (%)
Bonia Corporation	Consumer	0.82	0.11	13.99
British American Tobacco (M)	Consumer	4.39	0.58	13.28
Taliworks Corporation	Utilities	0.52	0.05	9.71
REXIT	Technology	0.52	0.05	9.71
MBM Resources	Consumer	5.34	0.43	8.07
Sentral REIT	REIT	0.78	0.06	8.00
KIP REIT	REIT	0.89	0.07	7.80
Ta Ann Holdings	Plantation	4.25	0.33	7.74
Paramount Corporation	Property	1.01	0.08	7.43
CapitaLand Malaysia Trust	REIT	0.62	0.05	7.26
MAG Holdings	Consumer	1.32	0.10	7.20
Magnum	Consumer	1.32	0.10	7.20
YTL Hospital REIT	REIT	1.12	0.07	6.61
Bermaz Auto	Consumer	0.72	0.05	6.57
Kim Loong Resources	Plantation	2.38	0.15	6.43

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		
Orkim Berhad	Main Market	0.92	100.0	300.0	26 Nov	09 Dec
LAC Med Berhad	MAIN Market	0.75	74.2	30.0	25 Nov	10 Dec
Wasco Greenery Berhad	Main Market	1.00	75.0	75.0	28 Nov	11 Dec

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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