



Daily Newswatch

Market Review

The FBM KLCI rose +0.3%, closing at 1,646.9 points on Thursday, as investor confidence in Malaysia's 2026 outlook strengthened, supported by improving sentiment toward recent economic policies. Across the major sectors, Consumer Products & Services (+1.1%), Transportation & Logistics (+0.9%), and Plantation (+0.8%), were the best-performing sectors. Among key constituents, Sime Darby, YTL Corp, and Mr DIY Group led the gains by +5.6%, +2.8%, and +2.7%, respectively. Overall, market breadth remains positive from the previous close, with 589 gainers outpacing 478 losers, while 527 counters remain unchanged.

Asian stocks ended mixed on Thursday, as tech-heavy markets tracked Wall Street losses amid renewed concerns over AI valuations, while select bourses found support from domestic and sector-specific buying. The Shanghai Composite rose +0.2% to 3,876.4 points, the Hang Seng increased +0.1% to 25,498.1 points, Taiwan's TAIEX fell -0.2% to 27,468.5 points, and the KOSPI dropped -1.5% to 3,994.5 points. In China, Energy (+1.9%), Financials (+1.3%), and Communication Services (+0.3%), led the sector gainers, driven by Goodwill E-Health Info (+20.0%), Hunan Aerospace Huanyu Communication (+14.7%), and Xi'an Bright Laser Technologies (+13.7%). Meanwhile, in South Korea, Electrical Products (-6.2%), Electric Utilities (-5.8%), and Chemicals: Specialty (-5.7%) were among the weakest sectors, with LG Energy Solution (-8.9%), LG Chem (-8.5%), and L&F Co (-8.5%), leading the fall.

The STOXX 50 rose 0.5% and the STOXX 600 climbed more than 1% on Thursday as investors digested the ECB's policy decision, which left rates unchanged and reiterated a data-dependent, meeting-by-meeting approach, with revised 2026 growth and inflation projections offering little case for a shift, while President Lagarde said inflation remains in a "narrow range" and core inflation is broadly aligned with the 2% target. Elsewhere, Norway and Sweden also held rates, the BoE cut borrowing costs by 25bps, ASML gained 2.1% after the prior session's selloff, Inditex rose over 2%, and Novo Nordisk fell more than 1%.

U.S. equities advanced on Thursday after inflation data surprised to the downside. The S&P 500 rose 0.8%, the Nasdaq gained 1.4%, and the Dow Jones added around 66 points. Annual U.S. inflation eased to 2.7% in November, the lowest level since July and below expectations of 3.1%, while core inflation declined to 2.6%, its lowest since March 2021. Although the data remain somewhat noisy due to the absence of October figures following the government shutdown, a sustained cooling in price pressures could support additional Federal Reserve rate cuts next year. Consumer discretionary and information technology stocks led the rally, climbing about 2% and more than 1%, respectively. Micron Technology surged around 10% after posting stronger-than-expected fiscal first-quarter earnings and revenue, supported by a solid outlook. In contrast, financials, consumer staples, energy, and real estate underperformed.

Macro Snapshots

- **US:** Core CPI eases to four-year low in shutdown-impacted report
- **CN:** Says it is granting new, streamlined rare earth export licences
- **EU:** Holds rates with growth firmer and inflation near target
- **MY:** Cultural and creative industry contributes 6.8% to 2024 GDP — DOSM

Corporate Snapshots

- **GAMUDA:** Gets another two contracts in Australia worth over RM8bn
- **MUHIBAH:** Secures PETRONAS Carigali contract worth up to RM850m
- **SUNCON:** Lands RM570m Johor data centre contract from US tech firm
- **YINSON:** Acquires 94.6MW Mt Cass Wind Farm in New Zealand

Key Indices	Last Close	Daily chg %	YTD chg %
FBM KLCI	1,646.9	0.3	0.3
Dow Jones	47,951.9	0.1	12.7
Nasdaq CI	23,006.4	1.4	19.1
S&P 500	6,774.8	0.8	15.2
SX5E	5,741.7	1.1	17.3
FTSE 100	9,837.8	0.6	20.4
Nikkei 225	49,001.5	(1.0)	22.8
Shanghai CI	3,876.4	0.2	15.7
HSI	25,498.1	0.1	27.1
STI	4,570.6	(0.1)	20.7

Market Activities	Last Close	% Chg
Vol traded (m shares)	2,473.8	0.8
Value traded (RM m)	2,286.2	0.5
Gainers	589	
Losers	478	
Unchanged	527	

Top 5 Volume	Last Close	Daily chg %	Vol (m)
ZETRIX	0.820	1.9	94.3
TOPG	0.670	3.1	66.2
TANC	1.130	(1.7)	58.0
VSI	0.495	3.1	43.4
TWL	0.025	0.0	24.8

Top 5 Turnover	Last Close	Daily chg %	Val (RM m)
CIMB	7.880	(0.5)	117.2
MAY	10.300	0.0	95.2
PMAH	7.000	1.6	94.1
GAM	4.950	1.6	93.8
ZETRIX	0.820	1.9	76.1

Currencies	Last Close	% Chg
USD/MYR	4.086	0.1
USD/JPY	155.550	0.0
EUR/USD	1.173	0.0
USD/CNY	7.041	0.0
US Dollar Index	98.439	0.1

Commodities	Last Close	% Chg
Brent (USD/barrel)	59.8	0.2
Gold (USD/troy oz)	4,332.6	(0.1)
CPO (MYR/metric t)	3,961.0	0.0
Bitcoin (USD/BTC)	85,634.1	0.1

Source: Bloomberg



Macro News

US: Core CPI eases to four-year low in shutdown-impacted report

Underlying US inflation rose in November at the slowest annual pace since early 2021, an unexpected improvement in a report muddled by the government shutdown. The core consumer price index (CPI), which excludes the often-volatile food and energy categories, increased 2.6% in November from a year ago, according to Bureau of Labor Statistics (BLS) data out Thursday. The overall CPI climbed 2.7% in November from a year ago. The longest-ever government shutdown prevented the BLS from collecting much of the October price data. That not only limited the agency's ability to determine month-over-month changes for the broader measures of inflation, but some economists noted it likely impacted the annual November figures as well. (*Bloomberg*)

US: Weekly jobless claims fall as seasonal volatility persists

The number of Americans filing new applications for unemployment benefits fell last week, reversing the prior week's surge and suggesting labour market conditions remained stable in December. Initial claims for state unemployment benefits dropped 13,000 to a seasonally adjusted 224,000 for the week ended December 13, the Labor Department said on Thursday. Economists polled by Reuters had forecast 225,000 claims for the latest week. Claims have see-sawed in recent weeks, reflecting challenges adjusting the data around the Thanksgiving holiday. The labour market tone has not changed much, with employers reluctant to hire more workers, but not embarking on mass layoffs either. (*Reuters*)

CN: Says it is granting new, streamlined rare earth export licences

China's Commerce Ministry said on Thursday that it had granted several general licences for rare earth exports, a new category of permit that aims to speed up shipments of the vital elements. Responding to a question from state media about reports that Beijing had issued some of the licences for European firms, a ministry spokesperson said applications had been approved but did not specifically mention Europe. "Some exporters have already preliminarily met the basic requirements for applying for a general licence," the spokesperson said at a regular weekly briefing. "As far as I know, some applications for general licences submitted by Chinese exporters have already been received and approved. (*Reuters*)

CN: Launches US\$113bn free-trade experiment on Hainan island

China on Thursday split off a Belgium-sized island with an economy comparable to a mid-sized country from the mainland for customs processing, part of a bid to join a major trans-Pacific trade deal and establish a new Hong Kong-style commercial hub. Officials hope that turning the southern province of Hainan into a duty-free zone will spur foreign investment, with goods that achieve at least 30% local value add able to move on into the world's second-largest economy tariff-free. Foreign firms will also be able to operate in service sectors that are restricted on the mainland. (*Reuters*)

EU: Holds rates with growth firmer and inflation near target

The European Central Bank left interest rates unchanged for a fourth straight meeting as inflation hovers around target and the eurozone weathers global shocks. The deposit rate was kept at 2% on Thursday — as predicted by all analysts in a *Bloomberg* survey. Policymakers continued to offer no guidance on future steps, stressing that they'll act one meeting at a time based on incoming data. Fresh forecasts accompanied the decision, envisaging firmer economic expansion and inflation returning to 2% in 2028 after falling short of that level during the next two years. (*Bloomberg*)

MY: Cultural and creative industry contributes 6.8% to 2024 GDP — DOSM

The cultural and creative industry contributed 6.8% to Malaysia's gross domestic product (GDP) in 2024, reflecting steady growth, according to Chief Statistician Datuk Seri Dr Mohd Uzir Mahidin. He said the inaugural 2024 Satellite Cultural and Creative Account published by the Department of Statistics Malaysia (DOSM) showed the industry expanded to RM130.7bn, up 7.1% from a 4.5% contribution in 2023. "The publication provides detailed statistics estimating the contribution of cultural and creative activities to the Malaysian economy, including their impact on GDP, exports, imports and employment," he said in a statement on Thursday. (*Bernama*)

MY: Senate passes Tax Collection Measures Bill 2025

The Senate on Thursday passed the Measures for the Collection, Administration and Enforcement of Tax Bill 2025 to strengthen the country's taxation system. The bill includes amendments to five taxation acts, namely the Income Tax Act 1967, the Real Property Gains Tax Act 1976, the Stamp Act 1949, the Labuan Business Activity Tax Act 1990 and the Petroleum (Income Tax) Act 1967. A total of six senators participated in the debate and submitted views and suggestions related to the bill, including the digitalisation of tax administration, stamp duty, the issuance of guidelines by Inland Revenue Board (IRB) director general, excess tax refunds, and efforts to improve revenue governance. (*Bernama*)



Corporate News

GAMUDA: Gets another two contracts in Australia worth over RM8bn

Gamuda Bhd said on Thursday it has secured another two contracts worth over RM8 billion in Australia. The company will be working on Sydney Metro West stations in a contract valued at RM7.3bn as well as the remaining civil works in the Carmody's Hill Wind Farm project worth RM718m, according to separate exchange filings. Including the latest wins, Gamuda's order book has reached a new record high of RM46bn, the company said in a statement. The two contracts come on the heels of Gamuda's Wednesday announcement of Marinus Link undersea cable contract win worth close to RM2.7bn. (*The Edge*)

MUHIBAH: Secures PETRONAS Carigali contract worth up to RM850m

Muhibbah Engineering (M) Bhd has accepted an award from PETRONAS Carigali Sdn Bhd to undertake minor engineering, procurement and construction (ePC) works for wellhead platforms under the Sepat Integrated Redevelopment Project offshore Terengganu. In a bourse filing on Thursday, the oil and gas services provider said the contract, which is located offshore north-east of Kuala Terengganu, is estimated to be worth between RM700m and RM850m. The contract is scheduled to commence in December 2025 and is expected to be completed by the first quarter of 2029. Muhibbah said the job is expected to contribute positively to the group's earnings and net assets over the contract period, with no impact on its share capital or shareholding structure. (*The Edge*)

SUNCON: Lands RM570m Johor data centre contract from US tech firm

Sunway Construction Group Bhd said on Thursday its unit has received a work order valued at RM570m to carry out core and shell works for a data centre in Johor. The contract was awarded by a US-based multinational technology corporation to Sunway Construction Sdn Bhd (SCSB), according to a filing to Bursa Malaysia. The identity of the awarding company was not disclosed. The work, which will commence immediately, is targeted for completion by the fourth quarter of 2026. Under the contract, the multinational corporation has the option, but not the obligation, to award the mechanical and engineering fit-out works to SCSB, subject to finalisation of the project contract. (*The Edge*)

CTOS: To sell 26% stake in Experian Information Services for RM80m cash

CTOS Digital Bhd is disposing of its entire 26% equity interest in Experian Information Services (Malaysia) Sdn Bhd (EIS) for RM80m cash to its partner Experian (Malaysia) Sdn Bhd, which currently holds the remaining 74% stake in EIS. CTOS originally acquired the stake in EIS, which is involved in credit reporting, credit bureau and information services, in July 2019 for RM56.2m. The disposal is expected to result in a one-off gain of approximately RM18 million upon completion, according to CTOS's bourse filing on Thursday. This may lift earnings per share by around 30%, based on the group's financial results for the nine months ended Sept 30, 2025. (*The Edge*)

BNASTRA: Records highest quarterly net profit since listing in 2004, driven by stronger construction activity

Construction firm Binastra Corp Bhd reported a record quarterly profit, driven by stronger project execution and its new subsidiary. For the third quarter ended Oct 31, 2025 (3QFY2026), net profit rose 55% to RM37.5m, while revenue jumped nearly 40% to RM371.5m, compared with the same period last year. According to its filing with Bursa Malaysia, Binastra attributed the performance to its robust growth in the group's core construction segment, alongside contributions from its newly acquired 51% interest in LF Lansen Sdn Bhd. No dividend was declared for the quarter. "We are particularly encouraged by the strong traction in green energy projects, which continue to support our ambition to progressively 'green up' Binastra," the group's managing director Datuk Jackson Tan Kak Seng commented in a statement on the outlook of the company. (*The Edge*)

BINACOM: Bags RM52.5m internet services contract from Transport Ministry agency

Binasat Communications Bhd has secured a RM52.5m contract from an agency under the Ministry of Transport to provide managed and secure internet services featuring software-defined wide area network (SD-WAN). In a filing on Thursday, the telecommunications support services provider said its subsidiary, Binasat Digital Sdn Bhd, had received a letter of acceptance from Light Dues Board. The Light Dues Board is an agency under the Marine Department Malaysia, which falls under the purview of the Ministry of Transport. It is responsible for managing funds and operations for maritime aids to navigation, such as lighthouses, buoys and vessel traffic services, funded through light dues levied on ships. (*The Edge*)

ANEKA: Secures RM31.2m substructure works job in Penang

Aneka Jaringan Holdings Bhd has secured a RM31.2m contract to undertake substructure works for a high-rise serviced apartment development in George Town, Penang. The job was awarded by BYG Architecture Sdn Bhd, acting for Exsim Waterfront Sdn Bhd, according to the civil engineering firm in a bourse filing Thursday, saying its subsidiary had accepted a Letter of Award for the project. The contract covers substructure works, including temporary works, piling and pile cap construction, for a proposed 57-storey serviced apartment building with one sub-basement and one mezzanine floor, to be built on reclaimed land in Seksyen 8, Bandar George Town. (*The Edge*)



ADVCON: Bags RM19.3m earthworks contract for new industrial development in Ijok

Advancecon Holdings Bhd has secured a RM19.3m contract for earthworks related to a proposed industrial development in Ijok, Selangor. The project was awarded by Damai Jaya Realty Sdn Bhd. The letter of award was accepted by Advancecon's subsidiary on Wednesday. The scope of works includes earthworks, soil treatment and ancillary site preparation activities for the new industrial project in Ijok. Work will start immediately and be completed by June 17, 2027, according to Advancecon's bourse filing on Thursday. Group chief executive officer Datuk Phum Ang Kia said the award reflected continued confidence in the group's execution capabilities in earthworks and soil treatment works. *(The Edge)*

YINSON: Acquires 94.6MW Mt Cass Wind Farm in New Zealand

Yinson Holdings Bhd's renewables business unit, Yinson Renewables, has acquired the rights to the Mt Cass Wind Farm from MainPower New Zealand Ltd. In a filing with Bursa Malaysia, Yinson said that construction activities are expected to commence in early 2026, with the project slated to begin operations in 2028. "Mt Cass is designed for a total installed capacity of 94.6 megawatts (MW) and once operational, is expected to generate over 300 gigawatt-hours (GWh) of electricity annually — enough to supply approximately 40,000 households," it said. Mt Cass will be Yinson Renewables' first wind farm under construction and its first project in New Zealand. *(The Edge)*

CIMB: Seeks entry into BNM's digital asset hub to further develop tokenised financial services

CIMB Group Holdings Bhd will engage Bank Negara Malaysia (BNM) to seek admission into the Digital Asset Innovation Hub as it plans to further develop tokenised financial services. The services span tokenised assets, tokenised settlement and next-generation payment rails, the group said in a statement. As a key near-term milestone, CIMB has committed to Khazanah Nasional Bhd's and the Securities Commission Malaysia's (SC's) tokenised sukuk issuance pilot project, supporting the programme across multiple workstreams covering structuring, execution through to custody arrangements and full lifecycle servicing. *(The Edge)*

Upcoming key economic data releases	Date
US Durable Goods Orders	Dec 23
US GDP (QoQ)	Dec 23
US CB Consumer Confidence	Dec 23
US United States – Christmas – Early Close	Dec 24
US Durable Goods Orders	Dec 24
US Crude Oil Inventories	Dec 24
US Christmas	Dec 25
<i>Source: Bloomberg</i>	



Stock Selection Based on Dividend Yield

	Sector	Price (RM)	Dividend/Share (RM)	Dividend Yield (%)
Bonia Corporation	Consumer	0.80	0.11	14.25
British American Tobacco (M)	Consumer	4.42	0.58	13.19
Taliworks Corporation	Utilities	0.51	0.05	9.80
REXIT	Technology	0.56	0.05	8.93
MBM Resources	Consumer	5.25	0.43	8.21
Ta Ann Holdings	Plantation	4.13	0.33	7.97
Sentral REIT	REIT	0.79	0.06	7.90
KIP REIT	REIT	0.90	0.07	7.71
Paramount Corporation	Property	1.00	0.08	7.50
MAG Holdings	Consumer	1.29	0.09	7.36
Magnum	Consumer	1.29	0.09	7.36
CapitaLand Malaysia Trust	REIT	0.62	0.05	7.26
Bermaz Auto	Consumer	0.72	0.05	6.57
Kim Loong Resources	Plantation	2.38	0.15	6.43
Wellcall Holdings	Ind. Prod.	1.30	0.08	6.31

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.

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