



Daily Newswatch

Market Review

The FBM KLCI extended its winning streak, as the local bourse marginally rose 0.1% to close at 1,678.3 points on Wednesday as regional markets remain upbeat and stronger ringgit at 4.04/USD. Across the broader sector, Construction led gains by 1.2%, followed by Utilities and Plantation by 0.6% and 0.5% respectively. Among index constituents, Mr DIY and Gamuda emerged as top gainers, adding 2.7% and 2.6% each, followed by Petronas Chemicals gaining 2.5%. Overall market breadth turned positive, as gainers outpaced losers 500 to 483, with 585 counters unchanged.

Asian markets were slightly mixed on Wednesday, with heightened optimistic sentiment across the mainland markets and overnight gains in the US markets. Taiwan's TAIEX edged 0.2% higher to 28,372.0 points, the Hang Seng rebounded 0.2% to close at 25,819.0 points and the KOSPI slipped 0.2% to close at 4,109.0 points. In Hong Kong, notable gainers included SMIC (+3.1%), China Hongqiao Group (+2.3%), China Merchants Port Holdings (+1.9%), and CK Infrastructure Holdings (+1.8%). In contrast, South Korea's markets were weighed down by weakness in the technology sector. Among decliners were Samsung Electronics (-0.4%), HD Hyundai Heavy Industries (-2.6%), Doosan Enerbility (-2.2%), and Hanwha Aerospace (-2.4%). Meanwhile, the Shanghai Composite rose 0.5% to close at 3,960.0 points on Thursday to extend its winning streak to seven sessions. Commercial services, producer manufacturing, and consumer non-durables led the way, with prominent movers including Ping An Insurance (+2.6%), Foxconn Industrial Internet (+2.4%), and China Life Insurance (+1.4%).

European stocks were relatively flat as the STOXX 50 closed with little changed at 5,749 during the shortened and thinly traded Christmas Eve session, while the STOXX 600 ended barely above the flatline at 588.8, having closed at a record high the day before. Luxury companies outperformed, with LVMH rising 0.8%, Hermes 0.6%, and L'Oreal up 0.3%. Iberdrola also gained 0.3%. European stock markets will be closed on Thursday and Friday for the Christmas and Boxing Day holidays.

Wall Street closed higher on the brief Wednesday session, retaining their good momentum from the previous week amid predictions that the present economic environment will continue to favour earnings forecasts in the next year. The S&P 500 rose 0.4% and the Dow rose 0.7%, both to new highs, while the Nasdaq CI rose 0.3%. The third-quarter GDP result was far higher than projections for an annualized expansion of 4.3%, indicating strong private consumption and limiting concerns that tariffs impeded spending or started an inflation rebound. Meanwhile, initial unemployment claims declined while outstanding claims increased, supporting the idea of limited hiring and firing in a fragmented labor market. In the Dow, top performers include Nike (+4.6%), Merck & Company (+1.3%) and Walt Disney Company (+1.1%)

Macro Snapshots

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Key Indices	Last Close	Daily chg %	YTD chg %
FBM KLCI	1,678.3	0.1	2.2
Dow Jones	48,731.2	0.6	14.5
Nasdaq CI	23,613.3	0.2	22.3
S&P 500	6,932.1	0.3	17.9
SX5E	5,746.2	(0.1)	17.4
FTSE 100	9,870.7	(0.2)	20.8
Nikkei 225	50,407.8	0.1	26.4
Shanghai CI	3,959.6	0.5	18.1
HSI	25,818.9	0.2	28.7
STI	4,636.3	0.0	22.4

Market Activities	Last Close	% Chg
Vol traded (m shares)	2,044.3	3.9
Value traded (RM m)	1,703.6	(6.0)
Gainers	500	
Losers	483	
Unchanged	585	

Top 5 Volume	Last Close	Daily chg %	Vol (m)
PHRM	0.290	(1.7)	98.7
TANC	1.110	(3.5)	70.0
EKO	0.285	(8.1)	38.4
ZETRIX	0.820	0.6	29.6
MEGAFB	0.780	0.0	29.5

Top 5 Turnover	Last Close	Daily chg %	Val (RM m)
MAY	10.480	(0.6)	100.0
TANC	1.110	(3.5)	78.3
PMAH	7.190	0.6	75.9
GAM	5.100	2.6	71.6
IHH	8.670	0.6	64.6

Currencies	Last Close	% Chg
USD/MYR	4.047	0.4
USD/JPY	155.930	(0.1)
EUR/USD	1.178	(0.0)
USD/CNY	7.006	0.1
US Dollar Index	97.976	0.0

Commodities	Last Close	% Chg
Brent (USD/barrel)	62.2	(0.2)
Gold (USD/troy oz)	4,479.4	(0.1)
CPO (MYR/metric t)	4,010.0	0.0
Bitcoin (USD/BTC)	87,591.2	(0.3)

Source: Bloomberg



Macro News

US: Fed should lower rates if market does well, Trump says

Donald Trump said he expects his Federal Reserve (Fed) chair to lower interest rates if the economy is doing well, the latest signal that the US president is eager for a nominee committed to borrowing cost cuts as he nears an announcement of his choice to replace Jerome Powell. "I want my new Fed chairman to lower interest rates if the market is doing well, not destroy the market for no reason whatsoever," Trump said in a social media post on Tuesday. "Anybody that disagrees with me will never be the Fed chairman!" Trump has repeatedly said he's interested in breaking recent trends, where promising economic data is sometimes met by a market sell-off due to concerns over inflation and corresponding hikes by the Fed. (*Bloomberg*)

US: Weekly jobless claims unexpectedly fall

The number of Americans filing new applications for jobless benefits unexpectedly fell last week, but the unemployment rate likely remained high in December amid sluggish hiring. Initial claims for state unemployment benefits dropped 10,000 to a seasonally adjusted 214,000 for the week ended Dec 20, the Labor Department said on Wednesday. Economists polled by *Reuters* had forecast 224,000 claims for the latest week. The report was published a day early because of the Christmas Day holiday. Claims have been volatile in recent weeks amid challenges adjusting the data for seasonal fluctuations ahead of the holiday season. The labour market remains locked in what economists and policymakers describe as a "no hire, no fire" mode. (*Reuters*)

US: White House orders military to focus on 'quarantine' of Venezuela oil

The White House has ordered US military forces to focus almost exclusively on enforcing a "quarantine" of Venezuelan oil for at least the next two months, a US official told *Reuters*, indicating Washington is currently more interested in using economic rather than military means to pressure Caracas. "While military options still exist, the focus is to first use economic pressure by enforcing sanctions to reach the outcome the White House is looking (for)," the official said on Wednesday, speaking on condition of anonymity. While President Donald Trump has been publicly coy about his precise aims regarding Venezuela, he has privately pressured Venezuelan President Nicolas Maduro to flee the nation, *Reuters* has reported. Trump said on Monday it would be smart for Maduro to leave power. (*Reuters*)

CN: Onshore yuan closes at strongest level in 2-1/2 years

China's onshore yuan registered its strongest official close in more than two years on Thursday, almost breaching seven per dollar, aided by exporters' year-end rush to sell dollars amid expectations the greenback will weaken further next year. Although the yuan's appreciation appears to have invited the central bank to slow its rise, many analysts say the trend is just beginning. "The yuan's previous headwinds may be turning into tailwinds," Industrial Securities said in a note, referring to roughly USD1.2tn (RM4.8tn) worth of corporate dollar holdings that are being increasingly lured back to China. (*Reuters*)

CN: Widens foreign investment incentive list to stem falling inflows

China on Wednesday listed more sectors eligible for foreign investment incentives, from tax breaks to preferential land use, in its latest effort to stem a prolonged decline in overseas capital inflows. Under the 2025 edition of the catalogue of industries for encouraging foreign investment, China added more than 200 and revised about 300, with a focus on advanced manufacturing, modern services and green and high-tech sectors, the list jointly issued by the National Development and Reform Commission and the commerce ministry showed. The new catalogue, which takes effect on Feb 1, 2026, replaces the 2022 version and continues a policy framework that offers foreign-invested enterprises tariff exemptions on imported equipment, preferential land pricing, reduced corporate income tax rates in designated regions and tax credits for reinvestment of profits. (*Reuters*)

CN: PBOC signals steady support with focus on long-term growth

China's central bank reaffirmed its supportive monetary policy stance while signalling continued caution towards aggressive stimulus, reinforcing a shift towards securing long-term stability over immediate fixes. The People's Bank of China (PBOC) reiterated it will guide borrowing costs to continue hovering at a low level, according to a Wednesday statement following its fourth-quarter monetary policy committee meeting. The bank repeated a pledge to step up "cross-cyclical" policies, a phrase suggesting it aims to look beyond short-term volatility and avoid excessive stimulus that could create structural imbalances. This measured approach comes despite deepening weakness in domestic demand, with retail sales last month expanding at their lowest pace since the crash caused by Covid. Fixed-asset investment is also on track for its first annual decline in data going back to 1998, after a crash made worse by a drought in funding for infrastructure. (*Bloomberg*)

MY: FMM flags future gas price risks despite expected 2026 savings

Local manufacturers say that while they acknowledge how gas facility tariffs are determined under the incentive-based regulation (IBR) framework, they remain concerned about potential price volatility in the future. Under the IBR framework, gas facility tariffs are reviewed every three years by the Energy Commission (EC) and approved by the government. In a statement on Thursday, the Federation of Malaysian Manufacturing (FMM) said current projections indicate that the total gas price paid by end-users, including industrial customers, in the first quarter of 2026 (1Q2026) is expected to be lower than in 4Q2025. (*The Edge*)



MY: Logs 78% home ownership in 2024, near-universal access to electricity and water — DOSM

Malaysia's home ownership is on the climb, with the figure seeing a moderate pick-up last year compared to two years ago. About 78% of households lived in their own homes in 2024, up from 76% in 2022, according to a statement from the Department of Statistics Malaysia (DOSM) on Wednesday. Another 19.7% were living in rented living quarters, while 2.4% called quarters home, it added. (*The Edge*)

Corporate News

IJM: Prudential emerges as substantial shareholder

Prudential plc has emerged as a substantial shareholder of IJM Corp Bhd, with a deemed interest of 5.028%, following shares purchased by its fund managers. The shares, totalling 176.2m shares, were purchased via funds managed by Eastspring Investments Bhd and Eastspring Al-Wara' Investments Bhd on Tuesday (Dec 23), according to a bourse filing on Wednesday. A back-of-the-envelope calculation showed that the block of shares would have cost RM396.5m, based on Tuesday's closing price of RM2.25. (*The Edge*)

BORNOIL: Green-tech associate Verde Resources plans Nasdaq listing

Borneo Oil Bhd announced that its US-based associate company Verde Resources Inc is making its way to the Nasdaq stock exchange. Verde filed a registration statement with the US Securities and Exchange Commission on Tuesday, Dec 23, for a public offering to raise between USD5m and USD8m, or about RM20m to RM33m, according to a filing with Bursa Malaysia. Proceeds of the offering will go into scaling its production and distribution of its renewable energy technology, expanding its presence in new markets in other countries, and enhancing its research and development for national security and defence-related applications, Borneo Oil said. (*The Edge*)

ADVCON: Names second-generation leader as managing director

Advancecon Holdings Bhd has appointed Phum Boon Eng as managing director, marking a leadership transition to the second generation at the earthworks and civil engineering services provider. Boon Eng, 37, succeeds her father Phum Ang Kia, 67, who will be redesignated as executive deputy chairman, the company said in a statement on Wednesday. Advancecon said Boon Eng will focus on modernising the organisation, strengthening operational excellence and customer experience, enhancing stakeholder engagement and advancing sustainable growth initiatives in line with the board's strategy. (*The Edge*)

AHEALTH: Pharmora lifts stake to 91.65% in now unconditional takeover bid

Apex Healthcare Bhd announced on Wednesday that Pharmora Investment Holdings Pte Ltd has raised its effective stake in the company to 91.65% after the takeover bid turned unconditional on Dec 22. According to bourse filings on Wednesday, Pharmora secured 659.1m shares, representing a 91.2% stake in Apex Healthcare as of Dec 22. It subsequently purchased another 3.1m shares from the open market on Dec 23, raising its effective stake to 91.65%. Pharmora is a special-purpose vehicle which is held by joint-ultimate offerers, Quadria Capital Fund III Holdings Pte Ltd and Dr Kee Kirk Chin, who is a major shareholder, chairman and chief executive officer of Apex Healthcare. (*The Edge*)

SAPIND: To sell freehold land in Seremban for RM24.7m cash

Sapura Industrial Bhd announced it is selling its 35,332-square-metre freehold land in Seremban, Negeri Sembilan for RM24.7m cash to fund general working capital needs. The company expects to book a gain of RM6.7m from the deal. In a filing with Bursa Malaysia on Wednesday, the group said the letter of offer was issued via its wholly-owned subsidiary, Sapura Machining Corporation Sdn Bhd, to buyers Lim Chee Cheng and Lim Chee Meng. (*The Edge*)

NHB: Hives off 50% stake in warehousing unit, books RM10m gain

NuEnergy Holdings Bhd said it is disposing of its 50% stake in warehousing services provider Integrated Mits Sdn Bhd for RM24.5m, a move that is expected to generate a gain of RM10.2m. The sale is in line with its strategy to divest non-core assets and focus on the renewable energy industry, said NuEnergy in a bourse filing on Wednesday. The sale proceeds will be used for potential renewable energy engineering, procurement, construction and commissioning projects, as well as battery energy storage systems, the group said. (*The Edge*)



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	4.43	0.58	13.16
Taliworks Corporation	Utilities	0.51	0.05	9.90
REXIT	Technology	0.56	0.05	9.01
MBM Resources	Consumer	5.14	0.43	8.39
Ta Ann Holdings	Plantation	4.13	0.33	7.97
Sentral REIT	REIT	0.79	0.06	7.85
Paramount Corporation	Property	1.02	0.08	7.84
KIP REIT	REIT	0.89	0.07	7.75
MAG Holdings	Consumer	1.29	0.09	7.36
Magnum	Consumer	1.29	0.09	7.36
CapitaLand Malaysia Trust	REIT	0.63	0.05	7.20
Bermaz Auto	Consumer	0.73	0.05	6.48
Kim Loong Resources	Plantation	2.40	0.15	6.38
Sports Toto	Consumer	1.34	0.08	6.27

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		
Semico Capital Berhad	ACE Market	0.25	92.7	18.0	2 Jan	13 Jan
SBS Nexus Berhad	ACE Market	0.25	122.5	49.0	7 Jan	20 Jan

Source: Bursa Malaysia

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