



# Daily Newswatch

## Market Review

The FBM KLCI rose +0.2% to 1,681.0 points on Monday, supported by late-session institutional buying in selected heavyweight counters amid thin year-end trading volumes. REIT (+0.7%), Construction (+0.3%), and Plantation (+0.3%) were the best-performing sectors. Among the major constituents, Tenaga Nasional, IOI Corp, and CIMB Group led the gains by +1.6%, +1.0%, and +1.0%, respectively. Nevertheless, market breadth remains negative from last week Friday trading session with 646 losers outpacing 369 gainers, while 569 remain unchanged.

Asian stocks closed mostly in the red on Monday, due to profit-taking and thin year-end trading volumes as investors remained cautious despite expectations of future U.S. Federal Reserve rate cuts. The Shanghai Composite remained unchanged (+0.0% change) at 3,965.3 points, the Hang Seng slipped -0.7% to 25,635.2 points, Taiwan's TAIEX advanced +0.9% to 28,810.9 points, and the KOSPI declined -0.5% to 4,201.0 points. In China, Energy (+1.6%), Financials (+0.6%), Information Technology (+0.3%) were the outperformed sectors, led by stocks such as Guangzhou Risong Intelligent (+20.0%), Kinco Automation Shanghai (+20.0%), and Swancor Advanced Materials (+20.0%). In South Korea, Health Services (-3.3%), Non-Energy Minerals (-2.5%), and Producer Manufacturing (-1.7%) were the worst performing sectors, dragged by Anji Foodstuff, Acter Technology Integration, and Hengsheng Energy, each dropped by -10.0%.

European stocks ended slightly higher on Monday, underpinned by gains in auto makers and technology stocks, as investors continued to assess the European geopolitical backdrop for signals on whether the strong equity momentum can be sustained into next year. The STOXX 50 climbed +0.1% to 5,751.7, while the pan-European STOXX 600 edged up to 589. Technology stocks led the advance despite broad weakness among their Wall Street peers, with ASML and Nokia rose by +1% each. German auto makers also advanced, with BMW and Mercedes Benz gained +1%. In contrast, defense stocks fell sharply after a meeting between US President Trump and Ukrainian President Zelensky prompted markets to price in a higher probability of a ceasefire, with Rheinmetall down -1% and Leonardo and Thales sliding -2%.

In Monday's regular session, US equities closed lower, with the Nasdaq 100 declined -0.5% and the Dow eased -0.5% after hitting record highs on Friday, as concerns over stretched valuations among AI-related companies dampened market sentiment. Heavyweight stocks led the pullback, with Nvidia and Tesla fell by -1.2% and -3.3%, respectively. Oracle (-1.3%) and Palantir (-2.4%) also lagged, as investors continued to question whether substantial AI-driven capital expenditure by software and data-center companies will ultimately translate into the returns that have been promised.

## Macro Snapshots

- **US:** Pending-home sales jump to highest level since early 2023
- **US:** Tax changes loom large for US economy in 2026
- **CN:** To lower import tariffs on some products beginning 2026
- **MY:** Factory-gate prices down 1.8% in November — DOSM

## Corporate Snapshots

- **OMESTI:** 8.5% Omesti stake traded off-market
- **PERDANA:** Gets vessel charter jobs from PETRONAS Carigali
- **SRIDGE:** Wins RM10m subcontracts for data centre, heritage redevelopment
- **PWRWELL:** To buy 49% in Kuching-based switchboard maker for RM16.7m

Key Indices	Last Close	Daily chg %	YTD chg %
FBM KLCI	1,681.0	0.2	2.4
Dow Jones	48,461.9	(0.5)	13.9
Nasdaq CI	23,474.4	(0.5)	21.6
S&P 500	6,905.7	(0.3)	17.4
SX5E	5,751.7	0.1	17.5
FTSE 100	9,866.5	(0.0)	20.7
Nikkei 225	50,526.9	(0.4)	26.7
Shanghai CI	3,965.3	0.0	18.3
HSI	25,635.2	(0.7)	27.8
STI	4,633.6	(0.1)	22.3

Market Activities	Last Close	% Chg
Vol traded (m shares)	2,031.0	27.5
Value traded (RM m)	1,786.8	37.9
Gainers	369	
Losers	646	
Unchanged	569	

Top 5 Volume	Last Close	Daily chg %	Vol (m)
PHRM	0.300	0.0	83.0
TANC	1.140	0.9	59.6
ZETRIX	0.815	0.0	49.3
IAB	1.080	13.7	39.2
NEXG	0.270	(10.0)	29.4

Top 5 Turnover	Last Close	Daily chg %	Val (RM m)
TNB	13.880	1.6	111.5
CIMB	8.230	1.0	100.3
PBK	4.510	(0.2)	98.3
MAY	10.440	0.4	97.9
TANC	1.140	0.9	67.9

Currencies	Last Close	% Chg
USD/MYR	4.058	0.1
USD/JPY	156.110	(0.0)
EUR/USD	1.177	(0.0)
USD/CNY	7.006	(0.0)
US Dollar Index	98.037	0.0

Commodities	Last Close	% Chg
Brent (USD/barrel)	61.9	2.1
Gold (USD/troy oz)	4,341.3	0.2
CPO (MYR/metric t)	3,980.0	(0.7)
Bitcoin (USD/BTC)	87,017.1	(0.2)

Source: Bloomberg



## Macro News

### US: Pending-home sales jump to highest level since early 2023

Pending sales of US existing homes climbed by more than expected in November as a modest improvement in prices and mortgage rates encouraged buyers. An index of contract signings rose 3.3% to 79.2 last month, the highest level since February 2023, according to figures released on Monday by the National Association of Realtors (NAR). The gain was broad-based across regions and exceeded all but one estimate in a *Bloomberg* survey of economists. "Homebuyer momentum is building," NAR chief economist Lawrence Yun said in a statement, citing improving affordability and more inventory choices compared to last year. Signings have now increased for four straight months, matching a streak seen during the frenzied housing market of the pandemic. (*Bloomberg*)

### US: Tax changes loom large for US economy in 2026

Economists see the tax cuts in Trump's One Big Beautiful Bill as a principal driver of the US economy in 2026, both for individuals and businesses. Here's some detail about what's in store. Individual tax cuts; A range of changes in individual tax rates and breaks could boost household war chests in early 2026 through a combination of larger refunds during the filing season and larger take-home income as paycheck withholding levels are reset to account for the changes. The law makes permanent the lower individual and business income tax rates in Trump's 2017 Tax Cuts and Jobs Act that were due to expire at the end of the year. It also extends the standard deduction in that law and extends and expands the alternative minimum tax exemption and raises the estate tax exemption from US\$14m (RM56.8m) to US\$15m. (*Reuters*)

### CN: To lower import tariffs on some products beginning 2026

China announced on Monday tariff adjustments for some products beginning next year, including lowering the import duties on resource-based commodities such as recycled black powder for lithium-ion batteries. The country will also lower levies on medical products including artificial blood vessels and diagnostic kits for certain infectious disease, according to a statement by the Customs Tariff Commission of the State Council. For 935 products, the provisional import tariff rates levied on them will be lower than the most-favoured-nation rates applied to all World Trade Organization member states, it added. (*Reuters*)

### CN: State media warns against making one-way bets on yuan

Chinese state media has cautioned against making one-way bets on the yuan, signalling growing official discomfort about the pace of recent gains in the currency. The yuan's current trend is unsustainable and market players shouldn't expect it to last, *Shanghai Securities News* and *China Securities Journal* said Monday (Dec 29) while the *People's Daily* said two-way moves are the norm. The yuan has gained more than 4% in 2025 and rose past seven per dollar last week in offshore trade for the first time in over a year. "Never bet on a one-sided appreciation of the renminbi," *Shanghai Securities News* said in an article. "Several experts also said that companies and financial institutions should adhere to the principle of risk neutrality and strengthen exchange rate risk management." (*Bloomberg*)

### CN: To pay interest on digital yuan in bid to boost adoption

China is about to start paying interest on its official digital currency in a fresh push to get more people to use it after about a decade of development and testing. From Jan 1, commercial banks that operate digital yuan wallets will pay interest to clients based on the amount of virtual currency they hold, Lu Lei, deputy governor at the People's Bank of China, wrote in an article published in *Financial News*, a newspaper affiliated with the central bank, on Monday (Dec 29). The move represents China's latest step as one of the global leaders in developing an official digital currency. It will redefine the legal and technical framework of the digital yuan, a project the central bank launched in 2014, by giving it the same legal status as deposits held at commercial banks. (*Bloomberg*)

### CN: LNG imports set to climb a second month, Kpler data show

China's seaborne imports of liquefied natural gas (LNG) are expected to rise slightly in December, after surging last month, data from Kpler show, as buyers likely took more cargoes via long-term contracts. Deliveries are expected to be about 7.2m tons in December, according to Kpler, which tracks shipping data. That would be marginally higher than the same period last year, and a second consecutive month of increased imports on an annual basis when compared with official Chinese figures. Chinese firms are likely keeping more of their contracted supply after a recent decline in spot LNG prices reduced the appeal to resell cargoes. (*Bloomberg*)

### MY: FMM calls for greater cost competitiveness to support manufacturing growth

The Federation of Malaysian Manufacturing (FMM) has called on the government to strengthen Malaysia's cost competitiveness to support manufacturing growth as the country ushers in 2026. The FMM said in a statement on Monday that cost competitiveness is a foundational enabler of investment retention, industrial upgrading and long-term manufacturing expansion. "This includes addressing operating and compliance costs, ensuring competitive and predictable energy pricing to support the energy transition, improving logistics and trade facilitation efficiency, and maintaining a stable, transparent and internationally competitive tax environment," it said. (*Bernama*)



**MY: Factory-gate prices down 1.8% in November — DOSM**

Malaysia's producer price index (PPI) eased further by 1.8% in November 2025 from a 0.1% decrease in October 2025, said the Department of Statistics Malaysia (DOSM). Chief statistician Datuk Seri Dr Mohd Uzir Mahidin said the agriculture, forestry and fishing sector declined by 9.7%, after a 2.7% increase in the previous month, owing to a double-digit decrease of 16.2% in the growing of perennial crops index. "At the same time, the mining sector contracted by 7.2%, compared to a decline of 1% in October 2025, attributed to negative changes in both the extraction of natural gas and the extraction of crude petroleum indices, which fell by 11.4% and 5.5%, respectively. (*Bernama*)

**MY: US trade rises to RM325.2bn in 2024, driven by E&E exports**

Malaysia's trade performance with the United States increased by 30% to RM325.2bn in 2024 despite uncertainties in the global trading landscape, according to the Department of Statistics Malaysia (DOSM). Exports and imports grew by 23.3% and 42.1% to RM198.9bn and RM126.3bn, respectively, reflecting the increased demand for Malaysian exports to the US in 2024. Chief statistician Datuk Seri Dr Mohd Uzir Mahidin said electrical and electronic (E&E) products remained the main pillar of Malaysia and the US trade, accounting for 60.4% of total export value in 2024. (*Bernama*)

## Corporate News

**OMESTI: 8.5% Omesti stake traded off-market**

An 8.5% stake in ICT firm Omesti Bhd was traded off market on Monday. The shares were traded across four blocks totalling 112.4m shares (4.8%) at 0.83 sen apiece, and another block of 85m shares (3.7%) at 10 sen apiece, *Bloomberg's* filing showed. It is unclear who was involved in the selling, which amounted to RM27.2m. The group recently completed a private placement of nearly 303m shares to raise RM24.2m, as well as a rights issue which was 60% subscribed, raising RM26.4m as part of a restructuring exercise. (*The Edge*)

**INFOM: Bags RM137m software support contract from Thailand's Siam Commercial Bank**

Technology solutions provider Infomina Bhd has secured a contract to provide software support services to Siam Commercial Bank Public Company Ltd for US\$33.8m (RM137.1m). Its 99.99%-owned unit in Thailand, Infomina (Thailand) Co Ltd, accepted the blanket purchase agreement to provide technology application and infrastructure operations, maintenance and support services to the Thailand-based bank on Monday, Infomina said in an exchange filing. The job will span three years from Jan 1, 2026, and its value will be invoiced progressively over the period. (*The Edge*)

**PERDANA: Gets vessel charter jobs from PETRONAS Carigali**

Perdana Petroleum Bhd has secured two work order awards from PETRONAS Carigali Sdn Bhd for the provision of two anchor handling tug and supply vessels. One charter work order will span 130 days with a 60-day extension option, while the other covers 62 days with an additional 30-day option, the offshore marine services firm said in an exchange filing on Monday. The work order awards were secured by Perdana Petroleum's wholly-owned Perdana Nautika Sdn Bhd on Nov 14. (*The Edge*)

**AWANTEC: Bags RM16.4m Higher Education Ministry contracts for Google AI tools**

AwanBiru Technology Bhd has secured two contracts worth RM16.4m from the Ministry of Higher Education (MOHE) to provide Google artificial intelligence (AI) tools to public universities. Both contracts were awarded to its wholly owned Awantec Systems Sdn Bhd, on Dec 26, according to a bourse filing on Monday. AwanBiru Technology is the managed service provider for Google Cloud Malaysia. The contracts cover the provision of NotebookLM Enterprise and Gemini for Google Workspace to students, lecturers and administrators at public universities. The first contract, valued at RM10.6m, involves the supply of AI tools for students, while the second contract, worth RM5.8m, is for the provision of the same to lecturers and administrators. (*The Edge*)

**SRIDGE: Wins RM10m subcontracts for data centre and heritage redevelopment**

Telecommunications services provider Silver Ridge Holdings Bhd said on Monday (Dec 29) that its wholly-owned subsidiary Ingress Delta Construction Sdn Bhd (IDC) has accepted two subcontracts worth a total of RM10.9m. The first subcontract, awarded by IJM Construction Sdn Bhd, a wholly-owned unit of IJM Corp Bhd, involves the supply, delivery and installation of an architectural wet works package for a data centre construction project in Pulau, Johor Bahru, Johor, according to a bourse filing. The subcontract is valued at RM9.2m, with work scheduled from Jan 1 to June 11, 2026. (*The Edge*)

**PWRWELL: To buy 49% in Kuching-based switchboard maker for RM16.7m**

Powerwell Holdings Bhd is acquiring 49% stakes in a Kuching-based switchboard maker and seller for RM16.7m cash to grow in East Malaysia. Powerwell, an electricity distribution products maker, inked conditional shares sales and purchase agreements with four shareholders in Tenaga Kenari Sdn Bhd (TKSB) and Tenaga Kenari Marketing Sdn Bhd (TKMSB) to acquire the 49% stakes in both companies, according to a bourse filing on Monday. The stake acquisitions are in line with the group's long-term strategy to strengthen its earnings base and market positioning by establishing a more direct and localised presence in East Malaysia, it noted. (*The Edge*)

**HUMEIND: Names William Tan Kok Siang as group managing director**

Hume Cement Industries Bhd, which is 72%-owned by the Hong Leong Group, has appointed William Tan Kok Siang as its group managing director, effective Jan 1. The cement manufacturer, considered the third-largest in Malaysia in terms of capacity, has been without a group managing director since September 2023, after Hugo Enrique Losada Barriola stepped down "due to personal reasons". Tan, 38, is currently the managing director of the group's cement manufacturing unit, Hume Cement Sdn Bhd (HCMT), according to its bourse filing on Monday. He first joined HCMT in 2012 and progressively took on expanded leadership roles across marketing, sales, logistics, export and plant operations, the group noted. "His track record includes driving sales growth, strengthening customer relationships and improving operational efficiency," it added. (*The Edge*)

**SYGROUP: Promotes long-serving executive Richard Ling as new CEO**

Shipping company Shin Yang Group Bhd has promoted its chief operating officer (COO) Richard Ling Peng Ling to chief executive officer (CEO), effective Jan 1, 2026. Ling, 60, will assume leadership following the retirement of outgoing CEO Captain Ting Hien Liong in the shipping company that operates a fleet of up to 295 vessels across domestic and international waters. "He [Ling] will be responsible to lead the group driving the group's strategic directions and expansion, leadership and performance, brand development and products evolution, with a focus on sustaining growth while enhancing long-term stakeholder value and corporate value," Shin Yang said in filing with Bursa Malaysia on Monday. (*The Edge*)

**D&O: Tabung Haji emerges as substantial shareholder in D&O**

Lembaga Tabung Haji has emerged as a substantial shareholder in automotive light-emitting diode (LED) maker D&O Green Technologies Bhd. Tabung Haji bought two million shares, equivalent to a 0.2% stake, on Dec 26, according to a bourse filing on Monday. The acquisition raised the pilgrimage fund's stake in the company to 5.0% — above the 5% threshold to be deemed a substantial shareholder. The price at which the shares were acquired was not disclosed in the filing. Based on the shares' closing price of 76 sen on Dec 26, the block was valued at RM1.5m. According to D&O's latest annual report, its substantial shareholders include Mega First Corp Bhd chairman Goh Nan Kioh with 30.36%, D&O non-executive chairman Tan Sri Mohammed Azlan Hashim (8.075%), the Employees Provident Fund (8.024%), Kumpulan Wang Persaraan (Diperbadankan) (6.536%) and Aberdeen Group Plc (5.351%). (*The Edge*)

Upcoming key economic data releases	Date
US Initial Jobless Claims	Dec 31
US Chicago PMI (Dec)	Dec 31
US S&P Global Manufacturing PMI (Dec)	Jan 02
<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	4.44	0.58	13.13
Taliworks Corporation	Utilities	0.51	0.05	9.90
REXIT	Technology	0.57	0.05	8.85
MBM Resources	Consumer	5.21	0.42	8.08
Paramount Corporation	Property	1.00	0.08	8.00
Ta Ann Holdings	Plantation	4.16	0.33	7.91
Sentral REIT	REIT	0.79	0.06	7.90
KIP REIT	REIT	0.90	0.07	7.67
MAG Holdings	Consumer	1.29	0.09	7.36
Magnum	Consumer	1.29	0.09	7.36
CapitaLand Malaysia Trust	REIT	0.64	0.04	7.09
Bermaz Auto	Consumer	0.70	0.05	6.76
Kim Loong Resources	Plantation	2.41	0.15	6.35
Sports Toto	Consumer	1.35	0.08	6.22

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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