



Daily Newswatch

Market Review

The FBM KLCI rebounded towards the end of the session, gaining 0.3% to close at 1,677 points on Wednesday. Broader sector performances was positive, with Plantation, Construction and Consumer Products & Services leading the local bourse, adding 1.3%, 0.9% and 0.4% respectively. Consumer stocks led the charge, as 99 Speed Mart and Mr DIY emerged as the top performers, gaining 2.9% and 2.6% respectively. YTL Power was among the top gainers as well, adding 1.8%. However, overall market breadth slightly tilted negative, with 512 gainers to 565 losers, as 526 counters remain unchanged.

Major Asian markets were mixed on Wednesday as optimism in technology and AI stocks lifted China and South Korea. China's upcoming data release and geopolitical threats weighed down the Taiwan and Hong Kong markets. The Shanghai Composite slightly gained 0.1% to 4,086 points, the KOSPI rose 0.6% to 4,551 points, while Taiwan's TAIEX declined 0.5% to 30,435 points and the Hang Seng dropped 0.9% to 26,459 points. Information Technology (+1.0%), Health Care (+0.9%) and Materials (+0.5%) buoyed the Chinese market, with expectations of incoming policy support from the central bank lifted sentiment. Growth names such as Addisino Co (7.7%), Zhongji Innolight (2.3%), Goldwind Sciences (10%), BlueFocus Intelligent (4.7%), and Beijing Leike Defense Technology (10%) were among notable gainers. Similarly, the KOSPI continued its bull run to record highs as heavy chipmakers boosted the index, following sustained strength and optimism over semiconductor and AI stocks. Samsung Electronics (+1.5%) and SK Hynix (+2.2%) advanced, with Hyundai Motor (+13.8%), HD Hyundai Heavy Industries (+1.3%), Kia Corporation (+5.6%), Hyundai Mobis (+7.2%), and Hanwha Ocean (+1.2%) also closing higher as automotive stocks show added momentum.

European market indices closed modestly lower on Wednesday, as equities slowed from their recent high momentum, while investors continued to examine the ECB's policy outlook for the year. The Eurozone STOXX 50 and the pan-European STOXX 600 both fell 0.1% from the previous session's record highs.

Wall Street were divided on Wednesday as investors evaluated inconsistent economic data against prospects of future Federal Reserve easing, with the S&P 500 falling 0.3% and the Dow Jones falling 0.9% from recent record highs, while the Nasdaq CI rose 0.2%. JOLTS showed a steep drop in job vacancies, indicating cooling labor demand, while ADP reported a minor uptick in private hiring and the ISM Services PMI surprised to the upside, reaffirming the notion of a slowing but resilient economy. JPMorgan Chase and Bank of America sank more than 2%, pushing down the Dow amid a larger decline in banks, while NVIDIA (+1%) and Alphabet (+2.5%) outperformed, boosting advances in the tech-heavy Nasdaq.

Macro Snapshots

- **US:** Trump freezes over USD10bn in family assistance funds to five US states
- **CN:** Slams US 'bullying' over pressure on Venezuela to cut ties
- **CN:** Central bank adds gold for 14th month as prices hit record
- **MY:** Government expands Sara to over 10,000 additional small retailers

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- **OIB:** To buy 68-acre Bukit Raja land for RM80.8m
- **VANTNRG:** Secures RM1.4bn offshore jobs from PETRONAS Carigali
- **LGMS:** Gets nod to transfer listing to Main Market
- **PARAGON:** Forms JV with Japan's Asahi Seiren to tap recycled aluminium market

Key Indices	Last Close	Daily chg %	YTD chg %
FBM KLCI	1,676.8	0.3	(0.2)
Dow Jones	48,996.1	(0.9)	1.9
Nasdaq CI	23,584.3	0.2	1.5
S&P 500	6,920.9	(0.3)	1.1
SX5E	5,923.6	(0.1)	2.3
FTSE 100	10,048.2	(0.7)	1.2
Nikkei 225	51,962.0	(1.1)	3.2
Shanghai CI	4,085.8	0.1	2.9
HSI	26,459.0	(0.9)	3.2
STI	4,747.6	0.2	2.2

Market Activities	Last Close	% Chg
Vol traded (m shares)	2,728.7	2.5
Value traded (RM m)	2,757.0	(0.0)
Gainers	512	
Losers	565	
Unchanged	526	

Top 5 Volume	Last Close	Daily chg %	Vol (m)
CAPITALA	0.405	(9.0)	89.8
SNS	0.645	18.3	61.4
ZETRIX	0.815	0.6	61.1
TANC	1.200	0.8	57.8
IJM	2.740	7.9	35.0

Top 5 Turnover	Last Close	Daily chg %	Val (RM m)
MAY	10.680	(0.2)	164.8
PMAH	7.110	0.7	151.7
CIMB	8.060	0.9	134.0
GAM	4.870	(1.4)	106.5
IJM	2.740	7.9	94.1

Currencies	Last Close	% Chg
USD/MYR	4.059	(0.3)
USD/JPY	156.680	0.1
EUR/USD	1.168	0.0
USD/CNY	6.992	(0.1)
US Dollar Index	98.718	0.1

Commodities	Last Close	% Chg
Brent (USD/barrel)	60.4	(0.5)
Gold (USD/troy oz)	4,461.8	0.1
CPO (MYR/metric t)	3,960.0	0.8
Bitcoin (USD/BTC)	91,071.1	0.1

Source: Bloomberg



Macro News

US: Trump freezes over USD10bn in childcare, family assistance funds to five US states

US President Donald Trump's administration is freezing more than USD10bn (RM40.5bn) in federal childcare and family assistance funds to California, Colorado, Illinois, Minnesota and New York, the Department of Health and Human Services (HHS) said, citing what it called concerns about fraud and misuse. The Trump administration has threatened federal funding cuts to organisations and states over a number of issues since taking office — ranging from alleged fraud in programmes in states governed by Democrats to diversity initiatives and pro-Palestinian university protests against US ally Israel's assault on Gaza. On Tuesday, HHS said it notified the five states, all with Democratic governors, that its freeze applied to the "Child Care and Development Fund" worth USD2.4bn, the "Temporary Assistance for Needy Families" worth USD7.4bn, and the "Social Services Block Grant" worth USD869m. *(Reuters)*

US: Trump says Venezuela to send oil worth up to USD2.8bn to US

US President Donald Trump said Venezuela would relinquish as much as 50m barrels of oil to the US, worth roughly USD2.8bn (RM11.34bn) at the current market price, announcing the cargoes would be sold with proceeds benefitting both countries. The announcement late on Tuesday, which came with few details, marked a significant step up for the US government as it seeks to extend its economic influence in Venezuela and beyond after the capture of leader Nicolas Maduro over the weekend. It's also a blow to China, previously the top buyer of the country's oil and a close partner. "I am pleased to announce that the Interim Authorities in Venezuela will be turning over between 30 and 50 MILLION Barrels of High Quality, Sanctioned Oil, to the United States of America," Trump wrote in a social media post. *(Bloomberg)*

US: Trump says Modi unhappy over tariffs as India cuts Russian oil

US President Donald Trump said Indian Prime Minister Narendra Modi was unhappy with him due to Washington's high tariffs on the South Asian nation, the latest sign of continued strain between the two countries. "I have a very good relationship with him, but he is not that happy with me because they are paying a lot of tariffs," Trump told a gathering of Republicans in Washington on Tuesday, adding that India's buying of Russian oil "has reduced substantially". Trump imposed tariffs of 50% on Indian exports — the highest rate in Asia — in August, in part over India's purchases of Russian oil following Moscow's invasion of Ukraine. The tariffs have soured ties between the longtime partners and remain in place despite multiple rounds of trade talks and four conversations between the two leaders that have yet to produce a bilateral trade deal. *(Bloomberg)*

CN: Slams US 'bullying' over pressure on Venezuela to cut ties

China criticised the Trump administration's reported call for Venezuela to sever its alliances with US rivals, labelling the move a "bullying act" as their competition for influence in the region emerges as a new source of friction. "The US' blatant use of force against Venezuela and asking the country to favor America when handling its own oil resources — this is a typical bullying act," Chinese Foreign Ministry spokeswoman Mao Ning told reporters at a regular briefing in Beijing on Wednesday. "Let me stress that China and other countries have legitimate rights in Venezuela, which must be protected." The comments follow reports that the White House is demanding Venezuela reduce its relationships with China, Russia, Iran and Cuba after capturing leader Nicolás Maduro over the weekend. *(Bloomberg)*

CN: Central bank adds gold for 14th month as prices hit record

China's central bank extended its gold-buying streak to 14 months, underscoring sustained official demand for bullion as prices surged to records. Bullion held by the People's Bank of China (PBOC) rose by 30,000 troy ounces last month, according to data released on Wednesday. That brings total purchases since November 2024, when the current buying cycle started, to around 1.4m ounces, or 42 tons. Gold had a volatile run in the last month of 2025, surging to a record before paring some gains. Still, the metal delivered its best annual performance since 1979 on the back of central bank purchases, geopolitical angsts as well as debasement trades — a retreat from sovereign bonds and currencies for alternative stores of value. *(Bloomberg)*

CN: Escalates feud with Japan, probes chipmaking material

China started an anti-dumping probe into a key chipmaking material from Japan, escalating the dispute between Asia's largest economies shortly after Tokyo officials rebuked Beijing over potentially wide-ranging export controls. Dichlorosilane, the material being investigated, is mainly used in thin films needed to produce logic, memory, analog and other types of chips, according to China's Ministry of Commerce. The investigation should be completed within a year from Wednesday, but may extend an additional six months, according to a statement from the ministry. Beijing's move marks the latest escalation in a dispute over remarks on Taiwan by Japanese Prime Minister Sanae Takaichi that has been dragging on since early November. A day earlier, Beijing announced export controls on items destined for Japan that could have military uses. Concerns over potential impacts to Japan's key industries have brought down automaker shares while boosting rare-earth related stocks, though how China will actually implement its controls remains unclear. *(Bloomberg)*



CN: Premier pledges deeper cooperation as Irish PM pushes on beef and dairy

China wants to deepen cooperation with Ireland and broaden trade in sectors including aircraft leasing and healthcare, according to a Chinese state media readout on Tuesday following Premier Li Qiang's meeting with Irish Prime Minister Micheál Martin, who is in Beijing to push for agriculture talks. Martin's meeting with Li came a day after his summit with Chinese President Xi Jinping, part of a five-day visit that the Irish leader said would have "a significant economic dimension" including talks on beef and dairy. The visit reflects Beijing's bid to strengthen ties with individual European nations amid strained China-EU relations. *(Reuters)*

MY: Stronger ringgit cuts migrant remittance outflows as workers keep more money in Malaysia, says Merchantrade

The strengthening ringgit is reducing foreign remittances among migrant workers using Merchantrade's platform, as they send less money to their respective home countries and retain more funds domestically, the company's chief commercial officer Ivan Alias said. "From a remittance data standpoint, when we look at our data comparing December 2025 against the year before, we see the total remittance outflow from Malaysia has now reduced. But the number of transactions has increased more than 25%," he said during a panel discussion themed "The Ringgit Boost - Implications for 2026" hosted by CGS International. The ringgit appreciated by about 9% against the US dollar in 2025. Ivan added that this translated into increased domestic spending because more income from the foreign workers is being kept within the local. *(The Edge)*

MY: Records RM6.8bn digital exports between 2024 and 1H2025

The Malaysia Digital Economy Corporation (MDEC) recorded RM6.8bn in digital exports between 2024 and the first half of 2025 (1H2025), marking a milestone in Malaysia's digital economy journey. MDEC said the strong export performance was driven by MDEC's Founders Centre of Excellence and Gateway, Amplify, Invest and Nurture programmes that support high-potential Malaysian digital companies in expanding internationally, securing growth capital, and building sustainable competitiveness. It said that in 2024, Malaysia generated RM4.2bn in digital exports, driven by 325 companies operating across 27 countries. "This momentum continued into 1H of 2025, with digital exports reaching RM2.6bn, supported by 350 companies expanding into 39 markets worldwide. *(Bernama)*

MY: Government expands Sara to over 10,000 additional small retailers

More than 10,000 small retailers have been made eligible for the Skim Sumbangan Asas Rahmah (Sara), a move set to greatly expand the retail network providing essential goods to the public. Political Secretary to the Finance Minister, Muhammad Kamil Abdul Munim, said the initiative would integrate more small, local traders with the existing supermarket network to broaden public access. "These 10,000 traders are an addition to the existing network. Now people can easily buy their essentials from shops and grocers in their own neighbourhoods or villages. *(The Edge)*

Corporate News

PARAGON: Forms JV with Japan's Asahi Seiren to tap recycled aluminium market

Paragon Union Bhd has entered into a joint venture (JV) with Japan's largest secondary aluminium producer, Asahi Seiren Co Ltd, to establish Paragon Asahi Seiren Sdn Bhd. According to a bourse filing, the venture is formed between Paragon Union's wholly-owned subsidiary, Paragon Metal Sdn Bhd, and Asahi Seiren. Paragon Metal will hold a 60% stake in the new entity, with the remaining 40% owned by Asahi Seiren. Paragon Union's JV with Asahi Seiren combines local expertise and global recycling technology to tap into the growing recycled aluminium market in Southeast Asia, supplying low-carbon materials to automotive, construction, and sustainable packaging industries. *(The Edge)*

TIENWAH: Singapore-listed Lum Chang JV to develop data centre in Section 13, Petaling Jaya

Tien Wah Press Holdings Bhd said on Wednesday (Jan 7) that its joint venture with Singapore-listed Lum Chang Holdings Ltd is entering the data centre business to tap into growing demand for such infrastructure. The JV company, Lum Chang Tien Wah Property Sdn Bhd (LCTWP), has signed an agreement with MyTelehaus Sdn Bhd to develop, own, lease and operate a data centre on 1.61 acres of the 3.22 acres of land owned by LCTWP in Section 13, Petaling Jaya, Selangor, Lum Chang said in a filing with the Singapore stock exchange. Under the agreement, LCTWP will provide the development land and fund and construct the core and shell of the building. MyTelehaus will, at its own cost, obtain all regulatory approvals, design, fit out, commission, operate, market and lease the data centre. *(The Edge)*

PARAMON: To acquire 2.62-acre freehold land in Putrajaya for RM40m, plans RM323m project

Paramount Corporation Bhd said it is acquiring a 2.62-acre parcel of freehold land in Putrajaya for RM40m and plans to develop a residential project with an estimated gross development value (GDV) of RM323m on the site. The acquisition will be undertaken by Phoenix Blanc Sdn Bhd, a wholly owned subsidiary of Paramount, which has entered into a sale and purchase agreement with Cahaya Nusantara Sdn Bhd. The purchase will be funded through a combination of internally generated funds and bank borrowings, according to a statement on Wednesday. According to Paramount, the site, located within the Putrajaya Sentral masterplan, is near Putrajaya Sentral Station, the city's main integrated transportation hub connecting the MRT Putrajaya Line, the KLIA Transit Express Rail Link and bus networks. The land also has direct access to major road networks, including the Putrajaya-Cyberjaya Expressway and Lingkar Putrajaya. *(The Edge)*



OIB: To buy 68-acre Bukit Raja land for RM80.8m

Property developer Oriental Interest Bhd is expanding its landbank in Selangor through a RM80.8m cash acquisition of 68.12 acres in Bukit Raja. The deal was formalised on Dec 31, 2025, via a sale and purchase agreement between Oriental Interest's 70%-owned Myra Land Sdn Bhd and developer SJ Properties Sdn Bhd, according to the group's bourse filing. The remaining 30% in Myra Land is owned by Pesaka Saujana Properties Sdn Bhd, a related third party, Oriental Interest said. SJ Properties is wholly-owned by Syarikat Permodalan Kebangsaan Bhd. While portions of the land are currently occupied by tenants, Oriental Interest noted that these tenancies are expected to expire by the deal's completion. (*The Edge*)

VANTNRG: Secures RM1.4bn offshore jobs from PETRONAS Carigali

Vantris Energy Bhd, formerly Sapura Energy Bhd, has secured two work orders from PETRONAS Carigali Sdn Bhd worth a combined RM1.4bn for offshore transportation and installation works. In a filing with Bursa Malaysia on Wednesday, the group said the work orders were awarded to its wholly owned unit Sapura Offshore Sdn Bhd, under an existing contract. The awards relate to the Sepat Integrated Redevelopment Project offshore Terengganu, and the Belud South Greenfield Development Project offshore Sabah. (*The Edge*)

LGMS: Gets nod to transfer listing to Main Market

LGMS Bhd said the company has secured regulatory approval to transfer its listing to the Main Market, three and a half years after debuting on the ACE Market. The Securities Commission Malaysia (SC) informed the company of the approval through a letter on Wednesday (Jan 7), said the cybersecurity assessor and consultant in an exchange filing. LGMS said the SC noted that the company had complied with the Bumiputera equity requirement for public-listed companies. (*The Edge*)

HIBISCS: Boosts UK Teal West oil reserves 32%; Australian associate hints at big Otway Basin gas find

Hibiscus Petroleum Bhd on Wednesday (Jan 7) announced that its Teal West field in the UK now has 4.5m barrels of 2P reserves, up 32% from 3.4m barrels after the drilling of a new well and data review. In a filing with the exchange, the company said the increase is due to a deeper-than-expected oil-water contact, meaning more oil underground than previously thought. Drilling is complete, and subsea installation work is expected to start in early Q2 2026, with first oil targeted for mid-2026. (*The Edge*)

Upcoming key economic data releases	Date
US Initial Jobless Claims	Jan 08
US Average Hourly Earnings (MoM) (Dec)	Jan 09
US Nonfarm Payrolls (Dec)	Jan 09
US Unemployment Rate (Dec)	Jan 09
<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	4.47	0.58	13.04
Taliworks Corporation	Utilities	0.49	0.05	10.31
REXIT	Technology	0.57	0.05	8.77
MBM Resources	Consumer	5.17	0.42	8.14
Sentral REIT	REIT	0.79	0.06	7.85
Ta Ann Holdings	Plantation	4.23	0.33	7.78
Paramount Corporation	Property	1.04	0.08	7.69
KIP REIT	REIT	0.90	0.07	7.67
MAG Holdings	Consumer	1.31	0.09	7.25
Magnum	Consumer	1.31	0.09	7.25
CapitaLand Malaysia Trust	REIT	0.66	0.04	6.87
Bermaz Auto	Consumer	0.69	0.05	6.81
Kim Loong Resources	Plantation	2.39	0.15	6.40
Sports Toto	Consumer	1.35	0.08	6.15

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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