



Daily Newswatch

Market Review

The FBM KLCI rebounded on Tuesday, adding 0.7% to close at 1,712 points amid bargain hunting following recent declines. Across the broader sector, Energy (+3.1%), Financial Services (+0.8%) and Industrial Products & Services (+0.5%) lifted the local bourse. Among index constituents, Mr DIY (+3.0%), 99 Speed Mart (+2.9%) and Press Metal Aluminium (+1.8%) emerged as top gainers. Overall market breadth slightly improved, as losers continue to outpace gainers 608 to 564, with 516 counters remain unchanged.

Major Asian markets extended their losing streak on Tuesday, as escalating tensions in the Middle East disrupted regional markets, with the US-Israeli attacks on Iran driving oil prices higher. The Shanghai Composite slipped 1.4% to 4,123 points, the Nikkei 225 fell 3.01% to 56,279 points, the KOSPI declined steeply by 7.2% to 5,792 points, the Hang Seng trimmed 1.1% to 25,768 points and the TAIEX slumped 2.2% to 34,324 points. In the Chinese markets, sectorial performances saw Information Technology (-5.0%), Materials (-4.0%) and Industrials (-3.1%) led declines as Hygon Information Technology (-6.9%), Zijin Mining Group (-4.7%) and Cambricon Technologies (-4.9%) were the laggards of the day. Meanwhile in South Korea, losses were concentrated in large-cap exporters, with technology and autos leading declines. Samsung Electronics (-9.9%) and SK hynix (-11.5%) plunged alongside Hyundai Motor (-11.7%) and Kia Corp (-11.3%).

European stocks fell on Tuesday, continuing their dramatic loss from the previous session, as fears that the war in Iran might cause an energy supply shock harmed the prospects for European development. The Eurozone fell 3.6% to 5,772 points and the pan-European STOXX 600 fell 3.2% to 604 points. On the fourth day of the conflict, Iranian forces continued to bomb GCC energy facilities and publicly threatened vessels transiting the Strait of Hormuz, forcing European natural gas benchmarks to more than quadruple from last Friday. Banks suffered the most losses, as the prospect of greater inflation prompted traders to raise interest rates, causing a selloff in European bonds.

Wall Street pared substantial intraday losses on Tuesday, with the S&P down 0.9%, the Dow down 0.8%, and the Nasdaq CI down 1.0%, as President Trump's commitment to escort oil ships through the Strait of Hormuz offset the first shock of the US-Iran clash. While the major averages fell more than 2.5% at their session lows, they rebounded dramatically as the prospect of US Navy action pushed Brent crude below its daily highs. This reversal tempered the rise in Treasury yields that had previously battered credit-sensitive IT companies. Materials and industrials led the remaining decrease on persistent energy-cost concerns, with Nvidia and Tesla falling 1.3% and 2.7%, respectively.

Macro Snapshots

- **US:** Economic Sentiment Slips In March
- **CN:** China's cheap money is shaking USD9.5tn global loan market
- **SK:** Retail Sales Growth at 3-Month High
- **MY:** MOF: RM452m in deferred funds held in trust as of end-2025

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- **NORTHERN:** Gets RM119.4m construction contracts
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- **GADANG:** To acquire Johor Bahru land from Ekovest for RM75.5m
- **DPHARMA:** Tabung Haji emerges as substantial shareholder in Duopharma

Key Indices	Last Close	Daily chg %	YTD chg %
FBM KLCI	1,712.0	0.7	1.9
Dow Jones	48,501.3	(0.8)	0.9
Nasdaq CI	22,516.7	(1.0)	(3.1)
S&P 500	6,816.6	(0.9)	(0.4)
SX5E	5,771.7	(3.6)	(0.3)
FTSE 100	10,484.1	(2.7)	5.6
Nikkei 225	55,299.9	(1.7)	9.9
Shanghai CI	4,122.7	(1.4)	3.9
HSI	25,768.1	(1.1)	0.5
STI	4,916.7	0.5	5.8

Market Activities	Last Close	% Chg
Vol traded (m shares)	3,316.4	(15.0)
Value traded (RM m)	3,675.3	(6.0)
Gainers	375	
Losers	838	
Unchanged	496	

Top 5 Volume	Last Close	Daily chg %	Vol (m)
PH	0.005	0.0	148.6
BAB	0.380	8.6	99.9
VEB	0.330	4.8	85.7
CAPITALA	0.500	(3.8)	53.8
GDB	0.375	(1.3)	51.4

Top 5 Turnover	Last Close	Daily chg %	Val (RM m)
MAY	11.840	1.0	299.6
CIMB	8.020	1.0	256.1
PMAH	7.340	1.8	185.2
TNB	14.380	0.7	157.8
PBK	4.890	0.8	156.1

Currencies	Last Close	% Chg
USD/MYR	3.944	0.1
USD/JPY	157.570	0.1
EUR/USD	1.160	(0.1)
USD/CNY	6.918	(0.2)
US Dollar Index	99.052	0.7

Commodities	Last Close	% Chg
Brent (USD/barrel)	81.4	4.7
Gold (USD/troy oz)	5,134.6	0.9
CPO (MYR/metric t)	4,080.0	0.5
Bitcoin (USD/BTC)	67,925.1	(0.2)

Source: Bloomberg



Macro News

US: Bowman says Fed should look at how effective are the liquidity rules

The Federal Reserve's top bank cop said the regulator should weigh how its liquidity rules affects lenders during times of volatility and address weaknesses in the framework. Michelle Bowman said on Tuesday that although the components of liquidity requirements should work together to mitigate the risk of a bank failure, the framework does not consider how lenders actually perform during stress. "We need to know whether these tools deliver the promised resilience or whether we have created a framework that looks impressive on paper but fails to capture the vulnerabilities that emerge in times of stress," Bowman said in prepared remarks for an event in Washington. "It is time to move beyond asking whether banks are compliant and ask whether compliance actually translates into resilience." (*Bloomberg*)

US: Economic Sentiment Slips In March

The RealClearMarkets/TIPP Economic Optimism Index declined to 47.5 in March 2026 from 48.8 in February, missing market expectations of 50.1. The Six-Month Economic Outlook, which measures how consumers perceive the economy's prospects in the next six months, fell 1.8%, from 43.8 in February to 43.0 in March. The Personal Financial Outlook, a measure of how Americans feel about their own finances in the next six months, dropped 4.6% from its previous reading of 56.9 in February to 54.3 this month. Confidence in Federal Economic Policies, a proprietary RCM/TIPP measure of views on the effectiveness of government economic policies, slipped to 45.1 in March from 45.7 in February, a 1.3% drop. (*Trading Economics*)

CN: China's cheap money is shaking USD9.5tn global loan market

Chinese banks, flush with low-cost funds, are reshaping parts of the global loan market, underscoring how deflationary pressures in the world's second-largest economy are increasingly influencing competition with international lenders. Much like US and European manufacturers who have long complained about being undercut by cheaper Chinese rivals, bankers at global institutions now say they're facing the financial equivalent: being priced out of some of Asia's most sought-after borrowers as Chinese lenders extend cheaper credit across borders. Enabled by Beijing's monetary easing to counter slowing growth, Chinese banks are expanding overseas lending amid weakening domestic credit demand. That edge may prove even more significant as the Iran crisis threatens to upend global energy markets, raising the likelihood that major central banks will hold off easing interest rates amid mounting uncertainty. (*Bloomberg*)

SK: Retail Sales Growth at 3-Month High

South Korea's retail sales increased 2.3% month-on-month in January 2026, accelerating from a 0.6% rise in December and marking the fastest expansion in three months, suggesting a rebound in household spending at the start of the year. Gains were likely supported by stronger demand for durable goods and seasonal factors, though underlying consumption trends remain uneven. On a year-on-year basis, retail sales edged up just 0.1% in January, slowing sharply from a 1.3% increase in December. (*Statistics Korea*)

SK: Industrial Output Unexpectedly Falls

South Korea's industrial production declined 1.9% month-on-month in January 2026, reversing a 1.5% increase in December and surprising markets that had expected a 0.5% rise. The contraction was largely driven by weaker construction and manufacturing activity, which fell 11.3% and 2.1%, respectively. By contrast, private consumption and facility investment posted gains. The weaker-than-expected data cloud the outlook for the country's economic momentum and underscore ongoing headwinds in the manufacturing sector. On a year-on-year basis, industrial output surged 7.1% in January, accelerating from a 1.4% rise in December and significantly exceeding forecasts of 2.2%. (*Statistics Korea*)

MY: MOF: RM452m in deferred funds held in trust as of end-2025

The total deferred funds held by AmanahRaya are RM452m as of Dec 31, 2025. According to the Ministry of Finance (MOF), deferred funds refer to cash funds from the administration of estates or trusts that have been transferred to AmanahRaya after the original owner has been identified and confirmed deceased, but have not yet been distributed. "In the context of AmanahRaya, the assets managed are in the form of deferred funds and not frozen assets." The MOF said that regarding the estimated frozen estate assets amounting to RM90bn, the assets generally refer to the estate of the deceased which are still frozen in banks, other financial institutions or the Land Office because the legal and administrative processes have not been completed. (*Bernama*)

MY: Miti: Malaysia's exports to CPTPP member countries hit RM486.8bn in 2025

Malaysia's exports to member countries of the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP) rose by 4.7% to RM486.80bn in 2025, compared with RM464.80bn in 2024. Minister of Investment, Trade and Industry Datuk Seri Johari Abdul Ghani said the increase was largely driven by higher exports to Mexico (up 57%), Chile (15.3%), Singapore (8.1%), Vietnam (2.6%), the United Kingdom (2.4%), Canada (2.1%) and Peru (1.6%). He said that through the CPTPP, exporters can access non-traditional markets such as Canada, Mexico and Peru and, for the first time, gain preferential access to the UK market, which had previously been subject to regular tariffs. (*Bernama*)



MY: Nga: Property sector recorded RM240bn transactions in 2025, highest in over a decade

The national property sector recorded RM240bn in transactions in 2025, the highest in more than a decade, said Housing and Local Government Minister Nga Kor Ming. He said the strong performance shows the sector has not only recovered but is now a key driver of economic growth. "I describe it as a pillar of the national economy because property development is linked to 200 industries, including manufacturing, construction, banking and legal services. The RM240bn transaction value is a significant and encouraging figure," he said. *(Bernama)*

Corporate News

NORTHERN: Gets RM119.4m construction contracts

Rooftop solar firm Northern Solar Holdings Bhd has secured two contracts worth a total RM119.39m. One is a construction contract valued at RM47.53m, and one is a RM71.86m engineering, procurement and construction job for collector lines and solar power plant interconnection facility, according to Northern Solar's bourse filing on Tuesday. The contracts were from "an onshore good supply contractor and onshore good service contractor", it said. "Due to confidential provisions in the letters of award, the identity of the main contract cannot be disclosed." *(The Edge)*

TM: Can't call off 5G access agreement, says Digital Nasional

Digital Nasional Bhd said on Tuesday that the 5G access agreement with Telekom Malaysia Bhd is still in force even as the state-owned fixed-line operator sought an early end to the deal. The access agreement covers TM up to October 2032 and includes terms governing early termination, Digital Nasional said in a statement. TM has not exercised its right for early termination in accordance with the specific conditions of the access agreement, Digital Nasional contended. Digital Nasional "does not accept TM's notice to terminate the access agreement", the company said. "In the meantime, the access agreement remains valid, binding and enforceable." *(The Edge)*

BHIC: To present Boustead's 48 sen cash offer to minorities

Boustead Holdings Bhd is moving forward with its plan to privatise Boustead Heavy Industries Corporation Bhd, with the BHIC board set to table a proposed selective capital reduction and repayment exercise at 48 sen per share for shareholders' approval. On March 3, BHIC's non-interested directors resolved to present the proposal at an extraordinary general meeting (EGM) and specialised class meetings for preference shareholders. DWA Advisory Sdn Bhd has been appointed as the independent adviser to assess the fairness and reasonableness of the offer. The privatisation, first announced on Feb 10, involves a total cash payout of RM149.59m to minority shareholders, covering 155.86m BHIC shares held by the public, and 155.8m preference shares — comprising 23.63m redeemable convertible preference shares (RCPS A) and 132.17m Islamic redeemable convertible preference shares (RCPS-i A). *(The Edge)*

MNRB: Gets BNM nod to start talks on sale of Islamic insurer Takaful Ikhlas

Bank Negara Malaysia has approved the start of talks for MNRB Holdings Bhd to sell its Islamic insurance unit Takaful Ikhlas, according to people with knowledge of the matter. Kuala Lumpur-listed MNRB can open negotiations with Bank Kerjasama Rakyat Malaysia Bhd, Great Eastern Life Assurance Malaysia Bhd and Syarikat Takaful Malaysia Keluarga Bhd, the people said, asking not to be identified because the process is private. Discussions are at an early stage and may not result in a transaction. MNRB last year reached out to insurers and private equity firms to gauge interest in Takaful Ikhlas, people familiar with the matter said at the time. The reinsurer, backed by state-owned asset manager Permodalan Nasional Bhd, was seeking about RM1bn (US\$255m) for the business. *(Bloomberg)*

GADANG: To acquire Johor Bahru land from Ekovest for RM75.5m

Gadang Holdings Bhd is buying an 11.18-acre parcel of land in Johor Bahru for RM75.48m from a unit of Ekovest Bhd. Gadang aims to develop an RM800m gross development value (GDV) mixed-development project on the site, according to the construction and property development firm's bourse filing on Tuesday. A conditional sale and purchase agreement was inked between Gadang's unit, City Version Sdn Bhd, and Ekovest's subsidiary, Tanahmas Kapital Sdn Bhd, for the deal. *(The Edge)*

MHB: Secures four-year Sarawak offshore contract from Thailand's PTTEP

Secured a four-year contract from Thailand's upstream player PTT Exploration and Production Public Company Ltd (PTTEP) for offshore works in Sarawak. The contract, structured as a price agreement, was awarded to MHB's wholly-owned subsidiary, Malaysia Marine and Heavy Engineering Sdn Bhd. The scope covers engineering, procurement and construction of marginal field development platforms involving up to 11 wellhead platform (WHP) facilities. According to MHB's bourse filing on Tuesday, the group will fabricate the 11 WHPs — each weighing about 1,500 to 2,000 tonnes — at its yard in Pasir Gudang, Johor. On completion, the facilities will be installed offshore Sarawak to support PTTEP's field development plans. The specific value of the contract was not disclosed in the filing. As a price agreement, total revenue will likely depend on the actual number of work orders or 'call-outs' issued by PTTEP over the four-year duration. *(The Edge)*

DPHARMA: Tabung Haji emerges as substantial shareholder in Duopharma

Lembaga Tabung Haji has emerged as a substantial shareholder of Duopharma Biotech Bhd, following its latest acquisition of shares in the drugmaker. The pilgrimage fund crossed the 5% disclosure threshold after acquiring 500,000 shares, equivalent to a 0.052% stake, on Monday, according to Duopharma's bourse filing on Tuesday. The latest purchase bumped the fund's total stake in Duopharma to 5.046%, representing 48.54m shares. *(The Edge)*

CEPAT: Sells part of renewable business to ASX-listed subsidiary to unlock shareholder value

Oil palm and milling company Cepatwawasan Group Bhd is restructuring its renewable energy business to better highlight its value to the market. It is selling a 40% stake in its 12MW Sandakan biomass plant directly under its 69.8%-owned, ASX-listed subsidiary, Timah Resources Ltd. By "parking" part of the renewable asset under a listed entity, the group aims to make its value more visible to the market while still retaining overall control. The stake is being sold for RM31.61m on a deferred payment basis, according to a Bursa Malaysia filing. Cepatwawasan said the group ventured into renewable energy to reduce reliance on the volatile crude palm oil (CPO) market. Although the segment has been profitable, its value is not fully reflected in Cepatwawasan's share price. *(The Edge)*

Upcoming key economic data releases	Date
US ADP Nonfarm Employment Change (Feb)	Mar 4
US S&P Global Services PMI (Feb)	Mar 4
US ISM Non-Manufacturing Prices (Feb)	Mar 4
US ISM Non-Manufacturing PMI (Feb)	Mar 4
US Crude Oil Inventories	Mar 4
US Initial Jobless Claims	Mar 5
US Retail Sales (MoM) (Jan)	Mar 6
US Core Retail Sales (MoM) (Jan)	Mar 6
US Nonfarm Payrolls (Feb)	Mar 6
US Unemployment Rate (Feb)	Mar 6
US Average Hourly Earnings (MoM) (Feb)	Mar 6
<i>Source: Bloomberg</i>	



Stock Selection Based on Dividend Yield

	Sector	Price (RM)	Dividend/Share (RM)	Dividend Yield (%)
British American Tobacco (M)	Consumer	6.39	0.60	9.39
MBM Resources	Consumer	5.06	0.44	8.79
Paramount Corporation	Property	1.02	0.08	7.84
Ta Ann Holdings	Plantation	4.74	0.37	7.72
MAG Holdings	Consumer	1.30	0.10	7.69
Magnum	Consumer	1.30	0.10	7.69
KIP REIT	REIT	0.93	0.07	7.46
Sentral REIT	REIT	0.78	0.06	7.44
CapitaLand Malaysia Trust	REIT	0.66	0.05	7.42
Sports Toto	Consumer	1.33	0.09	7.14
Wellcall Holdings	Ind. Prod.	1.28	0.08	6.41
TIME dotCom	Telco	6.22	0.40	6.38
Kim Loong Resources	Plantation	2.38	0.15	6.30
UOA Development	Property	1.85	0.11	6.16
Al-Aqar Healthcare REIT	REIT	1.27	0.08	6.06

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		
OGX Group Berhad	ACE Market	0.35	150.0	75.0	02 Mar	12 Mar
Adnex Group Berhad	ACE Market	0.20	90.5	39.5	05 Mar	17 Mar
Sunway Healthcare Holdings Berhad	Main Market	1.45	575.0	1,394.0	05 Mar	18 Mar

Source: Bursa Malaysia

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