



Daily Newswatch

Market Review

The FBM KLCI climbed 0.9% on Thursday, closing at 1,713.2 points, driven by improved global risk sentiment after the US introduced war-risk insurance, easing concerns over supply disruptions. Industrial Products and Services (+1.4%), Telecommunications and Media (+0.9%) and Technology (+0.9%) lifted the local bourse. Among index constituents, Press Metal (+3.4%), Petronas Chemicals (+2.9%) and 99 Speed Mart (+1.7%) emerged as top gainers. Overall market breadth turned positive, as gainers outweighed losers by 572 to 511, with 523 counters left unchanged.

Asian market indices rebounded on Thursday after several days of losses, supported by recovering investor confidence and bargain hunting following the recent sell-off. The recovery was further supported by a rebound in global markets and the perception among investors that geopolitical tensions represent a short-term market shock rather than a lasting disruption, helping to rebuild risk appetites. The Shanghai Composite rebounded 0.6% to 4,109 points, the Nikkei 225 increased 1.9% to 55,278 points, the KOSPI edged up 9.6% to 5,584 points, the Hang Seng surged 0.3% to 25,321 points and Taiwan's TAIEX climbed 2.6% to 33,673 points. The Chinese markets rebounded was supported by strong performances from Biwin Storage Technology (+8.8%), Eoptolink Technology (+8.6%), Zhongji Innolight (+3.3%), TBEA Co (+6.2%), and China XD Electric (+10.0%). Meanwhile, South Korea's market rally was led by its leading chipmakers, Samsung Electronics (+11.2%) and SK Hynix (+11.0%). The bullish sentiment further lifted other standout gainers, including Hanmi Semiconductor (+20.9%), Hyundai Motor Company (+9.2%), and SK Square (+11.1%).

European stocks slipped on Thursday after rebounding sharply in the previous session, as persistent tensions in the Middle East and fresh attacks on oil tankers, fueled concerns over rising oil prices. The Eurozone decline 1.5% to 5,785 points and the pan-European STOXX 600 fell 1.3% to 604.8 points. Exports-heavy industrial stocks led the losses, falling 2.4%, followed by banks (-1.7%), travel and leisure stocks (-1.8%) and miners as metal prices eased.

Wall Street closed lower on Thursday, with the S&P 500 down 0.6%, the Nasdaq CI decline 0.3% and the Dow Jones shedding 1.6%, amid ongoing concerns on the disruptive potential of artificial intelligence (AI) and heightened global trade along with tariff uncertainty. Technology stocks remained under pressure, with Nvidia tumbling 5.5% and Apple slipped 0.85% as investors became highly cautious towards the technology sector. Investors are now looking ahead to the February employment data, which is due later today, for more information on the strength of the US labor market.

Macro Snapshots

- **US:** Productivity tops forecast in 4Q as firms seek to contain costs
- **CN:** China's US\$600bn tech stock rout risks deepening on AI costs
- **PH:** Philippine inflation hits one-year high, may curb further easing
- **MY:** Steady after central bank hold; Asia rebounds after heavy sell-off

Corporate Snapshots

- **NEXG:** Boardroom tussle erupts at NexG after Ishak Ismail emerges as largest shareholder
- **PARAMON:** Targets higher sales for 2026, confident margins will withstand cost pressures
- **SUNVIEW:** Unit bags RM289.7m Sarawak solar EPCC job from Malakoff
- **MAGMA:** To acquire LUMA Hotel in Kota Kinabalu for RM61m in cash-and-shares deal

Key Indices	Last Close	Daily chg %	YTD chg %
FBM KLCI	1,713.2	0.9	2.0
Dow Jones	47,954.7	(1.6)	(0.2)
Nasdaq CI	22,749.0	(0.3)	(2.1)
S&P 500	6,830.7	(0.6)	(0.2)
SX5E	5,782.9	(1.5)	(0.1)
FTSE 100	10,413.9	(1.5)	4.9
Nikkei 225	55,278.1	1.9	9.8
Shanghai CI	4,108.6	0.6	3.5
HSI	25,321.3	0.3	(1.2)
STI	4,846.6	0.7	4.3

Market Activities	Last Close	% Chg
Vol traded (m shares)	3,510.3	5.8
Value traded (RM m)	3,799.1	3.4
Gainers	572	
Losers	511	
Unchanged	523	

Top 5 Volume	Last Close	Daily chg %	Vol (m)
AAX	1.420	(15.5)	90.3
CAPITALA	0.500	(9.0)	86.8
BAB	0.345	(2.8)	79.0
TANC	1.530	0.0	59.4
ZETRIX	0.780	1.3	48.8

Top 5 Turnover	Last Close	Daily chg %	Val (RM m)
MAY	11.700	0.3	307.4
CIMB	8.040	1.1	164.0
AAX	1.420	(15.5)	135.9
PMAH	7.650	3.4	133.0
PBK	4.900	1.2	123.5

Currencies	Last Close	% Chg
USD/MYR	3.945	(0.0)
USD/JPY	157.570	0.0
EUR/USD	1.161	(0.0)
USD/CNY	6.911	(0.2)
US Dollar Index	99.053	0.3

Commodities	Last Close	% Chg
Brent (USD/barrel)	85.4	4.9
Gold (USD/troy oz)	5,085.8	0.1
CPO (MYR/metric t)	4,096.0	0.6
Bitcoin (USD/BTC)	71,222.2	0.1

Source: Bloomberg



Macro News

US: Productivity tops forecast in 4Q as firms seek to contain costs

US labour productivity rose in the fourth quarter (4Q) by more than forecast, adding to evidence that companies are striving for greater efficiency to contain costs. Productivity, or non-farm employee output per hour, increased at a 2.8% annualised rate after an upwardly revised 5.2% advance in the third quarter, data from the Bureau of Labor Statistics (BLS) showed on Thursday. The median projection of economists surveyed by *Bloomberg* called for a 1.9% advance. The recent trend in efficiency has helped ensure wage pressures remain contained, corroborating views of Federal Reserve officials that the labor market is no longer a source of inflation. (*Bloomberg*)

US: US bonds tumble as oil price surge kindles inflation fears

A steep selloff in US Treasuries continued for a fourth day on Thursday, as investors fretted that surging energy prices from the war in the Middle East could stoke inflation and derail the Federal Reserve's rate outlook. The benchmark 10-year US Treasury yield jumped as much as 5 basis points (bps) in Asia to a three-week high of 4.131%. It was last up 3 bps for the day and was on track for its biggest weekly rise since April 2025 at 15 bps. The two-year yield was meanwhile up about 2 bps to 3.566%, having risen more than 18 bps this week. Bond prices move inversely to yields. Investors have pared back expectations of further easing from the Fed this year on the back of the US-Israel war with Iran, which entered its sixth day as Iran launched a wave of missiles at Israel, sending millions of residents into bomb shelters. (*Reuters*)

US: Weekly jobless claims unchanged; layoffs decline 55% in February

The number of Americans filing new applications for unemployment benefits was unchanged last week while layoffs dropped sharply in February, consistent with stable labor market conditions. Initial claims for state unemployment benefits were flat at a seasonally adjusted 213,000 for the week ended February 28, the Labor Department said on Thursday. Economists polled by Reuters had forecast 215,000 claims for the latest week. The labour market is regaining its footing after stumbling last year amid what economists said was uncertainty stemming from President Donald Trump's broad tariffs, which he pursued under a law meant for use in national emergencies. (*Reuters*)

CN: China's USD600bn tech stock rout risks deepening on AI costs

The ongoing selloff in China's megacap technology stocks shows little sign of easing, as investors fret over spiralling spending amid heated competition. The rally sparked by DeepSeek's artificial intelligence breakthrough early last year has given way to some of the same concerns rattling US hyperscalers: soaring memory-chip costs, potential business disruption from AI and now the broader market malaise brought on by the Iran war. The Hang Seng Tech Index has plunged 28% from an October high, shedding nearly USD600bn (RM2.37bn) in market value. Tencent Holdings Ltd and Alibaba Group Holding Ltd have been worst hit by a selloff that seems poised to continue as rival ByteDance Ltd and others ramp up capital outlays. (*Bloomberg*)

CN: Urges refiners to suspend fuel exports amid Mideast conflict, sources say

China said on Thursday that it would inject 300bn yuan (USD44bn) into state-owned banks this year to guard against systemic risks, and boost financing for technology companies amid intensifying US rivalry. The measures were outlined in the annual government work report released at the opening session of the National People's Congress (NPC), China's rubber-stamp parliament. The report said Beijing would further replenish the capital at financial institutions and prudently dispose of non-performing assets in the sector. (*Reuters*)

PH: Philippine inflation hits one-year high, may curb further easing

The Philippines' inflation rate rose to the fastest pace in over a year in February, putting the Southeast Asian economy in a delicate position ahead of the expected surge in prices of goods in the wake of the war in Iran. Consumer prices increased 2.4% last month from a year ago, the Philippine Statistics Authority said on Thursday. That matched the median estimate in a Bloomberg News survey and compares with the 2% recorded in January. Price pressures would narrow the space for further monetary easing at a time when economic momentum remains weak. The Bangko Sentral ng Pilipinas, which aims to keep inflation within the 2%-4% range, has reduced its key rate by 225 basis points so far and signalled it could be nearing the end of the easing cycle that began in August 2024. Markets appear unaffected by the quicker inflation data with the peso edging 0.2% higher against the dollar at 10.35am in Manila and the main stock index was up 0.5%. (*Bloomberg*)

MY: Over 60% of Malaysian exporters likely affected by Middle East conflict — Matrade survey

The Malaysia External Trade Development Corporation (Matrade) said a survey shows over 60% of Malaysian exporters expect to be impacted by the Middle East conflict due to shipment delays and higher shipping and insurance costs. The survey of the ground-level impact on business operations covered 53.7% micro, small and medium enterprises, 32.7% mid-tier companies, and 13.6% multinational corporations. Preliminary results show that businesses reported expected drops in sales, order cancellations and rising raw material costs, especially for plastics linked to crude oil. Around 39% of respondents export to the region, mainly the UAE and Saudi Arabia, and many are considering diversifying to other markets. (*Bernama*)



MY: Steady after central bank hold; Asia rebounds after heavy sell-off

Malaysian markets were steady on Thursday, after Bank Negara kept interest rates unchanged as expected, while Asian equities rebounded on optimism that Washington and Tehran may move to cool hostilities after a bruising multi-day sell-off. The ringgit was little changed, edging slightly softer on the day, but remained up nearly 3% year-to-date, making it the region's best-performing currency. Kuala Lumpur shares rose 0.7%, bringing year-to-date gains to almost 2%. Investors have been comfortable staying long on the ringgit through local bonds, as the currency's rebound and stable policy settings improve unhedged returns. "Being a net oil exporter, Malaysia's terms of trade should also improve on the back of higher oil prices, lending support for the ringgit," said MUFG currency analyst Lloyd Chan. *(Bernama)*

MY: Anwar: National energy supply secure, contingency plans ready to safeguard economy

Prime Minister Datuk Seri Anwar Ibrahim on Thursday said Malaysia's oil and gas supply remains secure and that the government will continue to closely monitor global developments amid the current conflict in the Middle East. In a social media post, the prime minister said the Madani government is ensuring Malaysia remains on alert, with contingency measures in place to protect the people and safeguard the country's economic continuity. Earlier Thursday afternoon, Anwar, who is also finance minister, chaired the 2026 National Finance Council (MKewN) meeting with the state chief ministers at the Ministry of Finance. *(Bernama)*

Corporate News

NEXG: Boardroom tussle erupts at NexG after Ishak Ismail emerges as largest shareholder

A boardroom tussle has erupted at NexG Bhd which holds RM2.46bn worth of contracts in the supply of Malaysian passport booklets and identity cards, following the emergence of Datuk Ishak Ismail's Raya Aviation Holdings as its largest shareholder. On Thursday, a day after Ishak's entry, NexG's board suspended executive chairman and CEO Datuk Abu Hanifah Noordin amid a review of the company's investments in other public-listed companies, according to a bourse filing. The board also appointed an external professional to verify the March 4 shareholding changes related to Raya Aviation's purchase of a 20.4% stake by taking control of two private companies — Skylum Alliance Sdn Bhd and Trendrove Tradin Sdn Bhd. *(The Edge)*

BAT: MD Nedal Salem to step down on Aug 1, Daniel Hsu to take over

Announced on Thursday that its managing director Nedal Salem will be concluding his tenure on Aug 1 after leading the company for four and a half years. Nedal, 56, will be succeeded by Daniel Hsu, current general manager of BAT Vietnam Cluster, according to a company statement. "Nedal was instrumental in steering BAT Malaysia through a complex operating environment, which included Malaysia's first excise hike in over a decade and the implementation of the Control of Smoking Products for Public Health Act 2024 (Act 852). *(The Edge)*

PARAMON: Targets higher sales for 2026, confident margins will withstand cost pressures

Aiming for higher property sales this year and is confident that its margins will withstand cost pressures amid Middle East tensions. The property developer is targeting RM1.2bn sales this year and expects no delays to its planned launches worth RM1.1bn in 2026, Paramount chief executive officer Jeffrey Chew said at an earnings briefing on Thursday. Paramount sold RM1.03bn worth of properties in 2025. "Our inputs are generally local," he said. "There could be indirect cost escalation, but the direct impact on our business is not significant because our buyers are still Malaysians and they will still need homes." *(The Edge)*

SUNVIEW: Unit bags RM289.7m Sarawak solar EPCC job from Malakoff

Sunview Group Bhd's unit has secured a RM289.7m fixed contract sum to carry out engineering, procurement, construction and commissioning (EPCC) work for a solar photovoltaic power plant in Bintulu, Sarawak. In a bourse filing on Thursday, Sunview said its wholly owned subsidiary Fabulous Sunview Sdn Bhd had accepted a letter of award from Malakoff Evergreen Sdn Bhd (MEVSB) for the solar photovoltaic project. Malakoff Evergreen is a 70%-owned subsidiary of Tuah Utama Sdn Bhd, which in turn is wholly owned by Malakoff Corp Bhd, and is involved in developing solar photovoltaic and other renewable energy projects in Sarawak. *(The Edge)*

MAGMA: To acquire LUMA Hotel in Kota Kinabalu for RM61m in cash-and-shares deal

Plans to acquire the LUMA Hotel in Kota Kinabalu for RM60.9m in a cash-and-shares deal, to expand its hotel portfolio. In a filing with Bursa Malaysia, the group said its wholly-owned subsidiary, Magma Avenue Sdn Bhd, has entered into a heads of agreement to acquire the LUMA Hotel business and four contiguous buildings in the Sabah capital. Under the agreement, Magma will acquire 100% equity in HH Home Hotel Sdn Bhd, which owns the LUMA Hotel and its brand, for RM12.8m via a combination of cash and the issuance of 27.15m new shares. *(The Edge)*

INNATURE: Seals deal to distribute Yves Rocher products in Singapore

The operator of The Body Shop stores in Malaysia, Singapore, Vietnam and Cambodia, announced it has secured a deal to exclusively distribute products of French natural cosmetics and skin care brand Yves Rocher in Singapore. A distribution agreement was inked between unit Hello Natural Singapore Pte Ltd and Laboratoires De Biologie Végétale Yves Rocher for the arrangement, according to a bourse filing on Thursday. It will span five years, renewable for a further five years. InNature secured a similar agreement for Yves Rocher products in Malaysia in November last year. That same month, the company also completed its acquisition of The Body Shop Singapore Pte Ltd for SGD2.96m (RM9.5m). *(The Edge)*



EPB: Food packaging machinery firm EPB plans transfer to Main Market

EPB Group Bhd, which debuted on the ACE Market in August 2024, has proposed to transfer its listing to the Main Market of Bursa Malaysia. In a bourse filing on Thursday, EPB said the move would enhance the company's credibility, while increasing recognition among investors, particularly institutional funds, in line with its growing scale of operations. EPB is primarily engaged in designing, customising, fabricating, integrating and automating production lines for food manufacturing and processing companies. *(The Edge)*

IREKA: To be delisted on March 10

Ireka Corp Bhd is set to be delisted from the Main Market of Bursa Malaysia on March 10. This comes after Bursa Securities dismissed its appeal for more time to submit its regularisation plan, according to a bourse filing on Thursday. Ireka's extension bid was dismissed in September last year, which also resulted in its shares being suspended from Oct 3. The bourse regulator had previously granted the company five separate extensions. Ireka fell into Practice Note 17 (PN17) status in March 2022, after Bursa Securities rejected its bid for an extension of the Covid-19 relief period, as its shareholders' equity had fallen below 50% of its issued capital. Ireka has largely been loss-making since the financial year ended March 31, 2019 (FY2019). *(The Edge)*

GENETEC: Co-founder Aaron Chen emerges as substantial shareholder in Sunzen

Co-founder Aaron Chen Khai Voon has emerged as a substantial shareholder in Sunzen Group Bhd. According to a bourse filing, Chen acquired 32.7m shares, representing a 4.3% interest, via a direct business deal on March 4. Following the purchase, he now holds an 8.51% stake in Sunzen. This makes him the second largest shareholder of the company. Group managing director Teo Yek Ming is its largest shareholder with a direct 14.685% stake. No price was disclosed in the filing. Based on the volume-weighted average price (VWAP) of 25.5 sen, the block is estimated to have cost RM8.3m. *(The Edge)*

POHUAT: Shareholder submits proposal for independent non-exec directors to be partially paid in shares

Poh Huat Resources Holdings Bhd said a substantial shareholder has put forward a proposal for at least 50% of fees received by independent non-executive directors (INEDs) to be paid in the form of the company's shares purchased from the open market. Pangolin Asia Fund, which holds a 6% stake in Poh Huat, submitted a requisition letter on Thursday to move a special resolution on this matter at the company's upcoming annual general meeting on April 15, according to a bourse filing from Poh Huat. In its letter, Pangolin said that under its proposal, the shares purchased from the open market would be subject to a tenure lock-up, preventing their sale or transfer for as long as the director serves on the board. As the shares are acquired from the open market, the approach avoids dilution of existing shareholders, it noted. *(The Edge)*

Upcoming key economic data releases	Date
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	6.38	0.60	9.40
MBM Resources	Consumer	4.89	0.45	9.22
Paramount Corporation	Property	1.02	0.08	7.55
Ta Ann Holdings	Plantation	4.83	0.37	7.58
MAG Holdings	Consumer	1.29	0.10	7.75
Magnum	Consumer	1.29	0.10	7.75
KIP REIT	REIT	0.92	0.07	7.54
Sentral REIT	REIT	0.78	0.06	7.44
CapitaLand Malaysia Trust	REIT	0.65	0.05	7.54
Sports Toto	Consumer	1.32	0.10	7.20
Wellcall Holdings	Ind. Prod.	1.25	0.08	6.56
TIME dotCom	Telco	6.18	0.40	6.42
Kim Loong Resources	Plantation	2.35	0.15	6.38
UOA Development	Property	1.83	0.11	6.23
AI-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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