



Daily Newswatch

Market Review

The FBM KLCI weakened by 0.8% on Wednesday, closing at 1,698.2 points amid heightened geopolitical tensions in the Middle East, which added to existing US tariff jitters and raised concerns over global oil and gas supplies and inflation risks. Financial Services (-3.0%), Plantation (-0.9%) and Health Care (-2.2%) weighed down the domestic market. Among index constituents, Mr DIY (-7.3%), Maybank (-2.0%) and Hengyuan Refining (+14.1%) suffered the biggest losses. Overall market breadth was bearish, with losers outweighing gainers by a staggering ratio of 945 to 257, with 446 counters left unchanged.

Major Asian markets extended their losing streak on Wednesday, as escalating concerns over the Middle East disrupted regional markets, with the US-Israeli attacks on Iran conflict and its inflationary effects. The Shanghai Composite slipped 1.0% to 4,083 points, the Nikkei 225 fell 3.6% to 54,246 points, the KOSPI declined steeply by 12.1% to 5,094 points, the Hang Seng trimmed 2.0% to 25,249 points and the TAIEX slumped 4.35% to 32,829 points. In the Chinese markets, resource-related stocks led the decline as Zhongji Innolight (-4.4%), Eoptolink Technology (-3.4%), Zijin Mining (-2.3%), CNOOC Ltd (-1.3%) and China Petroleum (-5.4%) 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 (-11.7%) and SK Hynix (-9.2%) plunged alongside Hyundai Motor (-16.1%) and Kia Corp (-13.8%).

European stocks closed significantly higher on Wednesday, reversing the previous session's losses and mirroring afternoon support from North American equity markets to reflect a lower level of pessimism following recent increases in European energy costs. The Eurozone STOXX 50 rose 1.7% to 5,872, while the European STOXX 600 increased 1.4% to 612. Banks led the gains after setting the tone for yesterday's losses, gaining from a recovery in European government bonds as natural gas prices fell, reducing fears of runaway inflation. Santander, BBVA, and Nordea each added more than 3%.

Wall Street closed higher on Wednesday, with the S&P 500 up 0.8% and the Nasdaq CI up 1.3%, as investors looked past Middle East fears. The Dow rose 0.5% as falling oil prices and strong economic data eased growth concerns. Treasury Secretary Scott Bessent hinted at upcoming measures to bolster Persian Gulf oil flows, helping WTI crude suffer its first dip since the crisis began. Despite Bessent's confirmation that 15% worldwide tariffs will go into force this week, ADP statistics indicating stronger-than-expected private job creation and lower inflation in the services sector boosted optimism. Tech stocks led the rise, with Micron and AMD each rising more than 5.5%, and Amazon up 3.9%.

Macro Snapshots

- **US:** Services sector hits 3-1/2-year high, risks loom from Middle East war
- **JP:** Japan's Middle East energy dependency — and how it mitigates shocks
- **RU:** Prepared to divert oil to India as Middle East conflict disrupts flows, source says
- **MY:** RON97 up 10 sen, unsubsidised RON95, diesel rises 8 sen till March 11

Corporate Snapshots

- **BEDI:** Buys 8.7-acre land in Sabah for future projects
- **SUNWAY:** Sunway's ongoing takeover offer for IJM under MACC investigation
- **NEXG:** Raya Airways parent now NexG's biggest shareholder after taking over two exec-linked firms
- **JTGROUP:** Bags RM80 mil TNB contract to lay cables for data centre connection

Key Indices	Last Close	Daily chg %	YTD chg %
FBM KLCI	1,698.2	(0.8)	1.1
Dow Jones	48,739.4	0.5	1.4
Nasdaq CI	22,807.5	1.3	(1.9)
S&P 500	6,869.5	0.8	0.4
SX5E	5,870.9	1.7	1.4
FTSE 100	10,567.7	0.8	6.4
Nikkei 225	54,245.5	(3.6)	7.8
Shanghai CI	4,082.5	(1.0)	2.9
HSI	25,249.5	(2.0)	(1.5)
STI	4,812.8	(2.1)	3.6

Market Activities	Last Close	% Chg
Vol traded (m shares)	3,510.3	5.8
Value traded (RM m)	3,799.1	3.4
Gainers	257	
Losers	945	
Unchanged	446	

Top 5 Volume	Last Close	Daily chg %	Vol (m)
BAB	0.355	(6.6)	110.5
VEB	0.320	(3.0)	84.2
ZETRIX	0.770	(2.5)	78.9
HYR	1.540	14.1	59.4
TANC	1.530	(6.1)	55.3

Top 5 Turnover	Last Close	Daily chg %	Val (RM m)
MAY	11.660	(1.5)	459.8
CIMB	7.950	(0.9)	263.4
PMAH	7.400	0.8	121.7
PBK	4.840	(1.0)	121.6
TNB	14.160	(1.5)	118.3

Currencies	Last Close	% Chg
USD/MYR	3.943	0.1
USD/JPY	157.040	0.0
EUR/USD	1.163	0.0
USD/CNY	6.897	0.3
US Dollar Index	98.829	(0.2)

Commodities	Last Close	% Chg
Brent (USD/barrel)	82.6	1.4
Gold (USD/troy oz)	5,139.0	0.0
CPO (MYR/metric t)	4,071.0	(0.2)
Bitcoin (USD/BTC)	73,264.8	(0.1)

Source: Bloomberg



Macro News

US: Services sector hits 3-1/2-year high, risks loom from Middle East war

The US services sector activity surged to more than a 3-1/2-year high in February amid strong demand, consistent with hopes for an acceleration in economic growth this quarter, but war in the Middle East poses a downside risk to the rosy picture. The Institute for Supply Management said on Wednesday its non-manufacturing purchasing managers index increased to 56.1 last month, the highest reading since July 2022, from 53.8 in January. Economists polled by *Reuters* had forecast the services PMI easing to 53.5. A reading above 50 indicates growth in the services sector, which accounts for more than two-thirds of US economic activity. The PMI reinforced economists' expectations for solid economic growth in the first quarter after gross domestic product slowed to a 1.4% annualised rate in the fourth quarter. The economy grew at a 4.4% pace in the July-September quarter. (*Reuters*)

US: Private payrolls post largest increase in seven months in February

US private payrolls increased by the most in seven months in February, though data for the prior month was revised sharply lower, the ADP's national employment report showed on Wednesday. Private employment rose by 63,000 jobs last month, the largest gain since July 2025, after a downwardly revised 11,000 increase in January. Economists polled by *Reuters* had forecast private employment would rise by 50,000 jobs after a previously reported gain of 22,000 in January. Employment gains continued to be concentrated in the education and health services sector, which added 58,000 jobs. Construction payrolls increased by 19,000 jobs, but manufacturing shed 5,000 positions. (*Reuters*)

US: Manufacturing grew, input costs soared before Iran attack

US manufacturing expanded in February, but input prices soared at the fastest pace since 2022, stoking fears of an inflation resurgence even before this weekend's attacks on Iran. The Institute for Supply Management's (ISM) gauge of prices paid for manufacturing inputs jumped 11.5 points to 70.5, the highest level since overall inflation peaked nearly four years ago. The figures out on Monday reflected responses ahead of US and Israeli airstrikes on Iran this past weekend. The war has all but halted oil tanker traffic through the Strait of Hormuz and pushed crude prices sharply higher. The conflict also risks tempering a nascent recovery in manufacturing. ISM's measure of factory activity was little changed at 52.4, indicating a second month of growth at one of the highest readings in recent years. Orders and production growth remained solid. (*Bloomberg*)

JP: Japan's Middle East energy dependency — and how it mitigates shocks

Japan relies on the Middle East for around 95% of its oil supplies and 11% of its liquefied natural gas imports with around 70% and 6% respectively coming via the Strait of Hormuz, which is effectively closed due to the Iran war. Japan sources around 95% of its oil imports from the Middle East. In January, Japan imported 2.8m barrels of oil per day overall, of which 1.6m bpd came from Saudi Arabia with supplies also from the United Arab Emirates, Kuwait and Qatar. Japan holds emergency oil reserves equivalent to 254 days of consumption, split between national stockpiles (146 days), private-sector stockpiles (101 days) and joint stockpiles with oil-producing countries (7 days). Among those, Saudi Aramco uses 13 crude oil stockpiling tanks in Okinawa, enabling Saudi Arabia's state oil producer to store about 1.3m kilolitres of crude oil, or some 8.2m barrels — equal to about three days of Japan's consumption. (*Reuters*)

RU: Prepared to divert oil to India as Middle East conflict disrupts flows, source says

Russia is ready to divert oil to India to offset Middle East supply disruptions, with about 9.5m barrels of Russian crude in vessels near Indian waters and able to arrive within weeks, an industry source with direct knowledge told Reuters. The source declined to say where the non-Russian fleet cargoes were originally headed but said they could deliver to India within weeks, giving refiners rapid relief. India is vulnerable to supply shocks, with crude stocks covering only about 25 days of demand, while refiners hold similarly limited inventories of gasoil, gasoline and liquefied petroleum gas. An Indian government source said New Delhi was scouting for alternative supply to prepare for continuing conflict in the Middle East beyond 10–15 days. (*Reuters*)

MY: RON97 up 10 sen, unsubsidised RON95, diesel rises eight sen till March 11

The retail price of RON97 petrol has increased by 10 sen to RM3.25 per litre for the period March 5 to 11, 2026, reflecting the uptrend in global oil prices. In a statement Wednesday, the Ministry of Finance (MOF) said diesel prices in Peninsular Malaysia will rise by eight sen to RM3.12 per litre, while rates in Sabah, Sarawak and Labuan remain unchanged at RM2.15 per litre. Unsubsidised RON95 petrol also saw an eight-sen increase to RM2.67 per litre. Subsidised RON95 under the Budi95 programme, however, stays at RM1.99 per litre. "The government will continue reviewing and adjusting retail fuel prices based on global market movements, while maintaining price stability as a priority," the MOF said. (*Bernama*)

MY: Revised land tax formula fairer on all landowners, says Penang CM

Penang's revised land tax formula, effective 2026, treats all landowners fairly and equitably, eliminating discrimination between First Grade and non-First Grade landowners, particularly given that the rates had not been reviewed for over 30 years. Chief Minister Chow Kon Yeow explained that the tax rates for First Grade land, Conditions A, B, C, and the No Condition category reflect current land use, as set out in the categories gazetted under the Penang Land (Amendment) Rules 2025. "This means that if the site's current use is residential, then tax is calculated by multiplying the land area by the residential tax rate, which is RM0.70 per square metre for urban land and RM0.50 per square metre for rural land," he said during a press conference at his Komtar office on Wednesday. (*Bernama*)



MY: Licensing Certainty commitments, Critical Mineral MOU won't affect technical conditions on Lynas — Miti

Both of Malaysia's commitments regarding Licensing Certainty as contained in the Joint Statement on the Agreement on Reciprocal Trade (ART) (Article 5.2) and the Memorandum of Understanding (MOU) on Critical Minerals (Areas of Cooperation, Section 3) do not affect the government's decision to enforce technical conditions on Lynas Malaysia or other rare earth elements (REE) companies that are about to be approved to operate in Malaysia. The Ministry of Investment, Trade and Industry (MITI) said the Critical Minerals MOU signed by Malaysia and the United States clearly states that areas of cooperation between the two countries include topics related to good regulatory practices, such as facilitating the process of issuing permits related to the REE industry, including mining permits, land purchase and manufacturing licences. *(Bernama)*

Corporate News

BEDI: Buys 8.7-acre land in Sabah for future projects

Property developer Bedi Bhd, which was known as WMG Holdings Bhd up until September 2025, is buying an 8.7-acre parcel of land in Penampang, Sabah, for RM15.92m. The acquisition is part of its strategy to secure strategic locations for future mixed-development projects, Bedi said in a bourse filing on Wednesday. The plot is located within the Bukit Padang locality. A sale and purchase agreement has been inked between its unit, Wah Mie Realty Sdn Bhd, and the vendors — Lee Fui Chen, Lee Vun Yeng, Lee Vun Yee, Lee Tien Rui and Lee Sheng Chieh — for the deal. The land forms part of a greater 15.99-acre parcel. The vendors have agreed to subdivide the parcel into two lots, with the 8.7-acre portion to be sold to Bedi's unit. *(The Edge)*

SUNWAY: Sunway's ongoing takeover offer for IJM under MACC investigation, says Azam Baki

Malaysia's anti-graft agency said it has opened an investigation paper linked to Sunway Bhd's ongoing takeover offer for IJM Corp Bhd. The Malaysian Anti-Corruption Commission has received reports on the offer, its chief commissioner Tan Sri Azam Baki said during a news conference on the updates of its latest investigations at the agency's headquarters. Shareholders of IJM include government-linked companies, and "this is a concern to us because it involves public funds", he said. "We are looking at whether there is element of corruption, abuse of power, or violation of governance in the matter." Sunway, in January, launched an offer to acquire IJM in a cash-and-share deal that values the property-and-infrastructure company at RM3.15 per share or RM11bn. The offer is conditional upon acceptance of 50% plus one share. *(The Edge)*

NEXG: Raya Airways parent now NexG's biggest shareholder after taking over two exec-linked firms

Raya Aviation Holdings, parent of cargo carrier Raya Airways, becomes NexG Bhd's largest shareholder after taking control of two private companies tied to NexG's current and former executives. A bourse filing on Wednesday, showed Raya Aviation now holds 711.7m shares, or a 20.4% stake in NexG, following its takeover of Skyelimit Alliance Sdn Bhd (561.7m shares, 16.1%) and Trendrove Tradin Sdn Bhd (150m shares, 4.3%). Records from the Companies Commission of Malaysia (SSM) show Raya Aviation's ultimate owner is unclear, with 99% of the company held by CIMB Islamic Trustee Bhd. *(The Edge)*

JTGROUP: Bags RM80 mil TNB contract to lay cables for data centre connection

Jati Tinggi Group Bhd has bagged a contract worth RM79.86m from Tenaga Nasional Bhd to lay 275 kilovolts (kV) double circuit underground cables for connection to a data centre in Pasir Gudang, Johor. The contract will take 270 days to complete from the commencement date, which will be determined at a later stage, said Jati Tinggi in a bourse filing on Wednesday. Jati Tinggi said the contract is expected to contribute positively to the group's future earnings and net assets per share over the duration of the contract. Jati Tinggi shares closed down one sen or 1.68% at 58.5 sen, giving the group a market capitalisation of RM255m. *(The Edge)*

VELESTO: Secures multi-year maintenance contracts from Sabah Shell Petroleum

Velesto Energy Bhd, via its wholly owned subsidiary Velesto Workover Sdn Bhd, has secured two contracts from Sabah Shell Petroleum Company Ltd (SSPC) to provide maintenance services at its deepwater operations at offshore Sabah. According to a statement on Wednesday, Velesto Workover will provide comprehensive maintenance services for the top tension risers at SSPC's Tension Leg Platform, offshore Sabah, in which the works will be carried out in partnership with its principal, INVX Asia Pacific Pte Ltd. Velesto Workover's principal activity is in the workover operations for the oil and gas industry. The job follows a USD157m (RM617.4m) five-year drilling contract win from PETRONAS Carigali Sdn Bhd, announced on Monday. *(The Edge)*

WASCO: Urusharta Jamaah ceases to be substantial shareholder in Wasco

Urusharta Jamaah Sdn Bhd, a special purpose vehicle under the Ministry of Finance, has ceased to be a substantial shareholder of Wasco Bhd. Urusharta's shareholding in Wasco fell below the 5% disclosure threshold after disposing of 1.17m shares, equivalent to a 0.151% stake, on Feb 27, according to Wasco's bourse filing on Wednesday. The stake sale trimmed Urusharta's total stake in Wasco to 4.935%, representing 38.21m. Urusharta emerged as a substantial shareholder of the oil and gas services provider in November 2024 with a 5.666% stake. Its stake peaked at 6.219% in December 2025. *(The Edge)*



EXSIMHB: Partners with Majestic Gen to expand managed accommodation pipeline

Exsim Hospitality Bhd announced the partnership with developer Majestic Gen to introduce professionally-managed accommodation in selected developments nationwide, with a potential pipeline of over 3,000 keys over the next four years. The collaboration will see Exsim Hospitality's hospitality brand, Mana Mana Hospitality, appointed as the operator for selected projects within Majestic Gen's portfolio. Participation in the hospitality management programme will remain optional for homeowners. Majestic Gen general manager of sales and marketing (group) Grace Foo said the collaboration reflects the developer's efforts to explore new ways of strengthening the value and resilience of its projects. (*The Edge*)

Upcoming key economic data releases	Date
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	6.25	0.60	9.60
MBM Resources	Consumer	4.98	0.45	8.94
Paramount Corporation	Property	1.02	0.08	7.55
Ta Ann Holdings	Plantation	4.72	0.37	7.75
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	6.13	0.40	6.48
Kim Loong Resources	Plantation	2.35	0.15	6.38
UOA Development	Property	1.82	0.11	6.26
Al-Aqar Healthcare REIT	REIT	1.28	0.08	6.02

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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