



# Daily Newswatch

## Market Review

The FBM KLCI ended flat 1,683.6 on Wednesday, as investors remained cautious amid a regional market sell-off and ahead of Bank Negara Malaysia's overnight policy rate (OPR) decision today. Bank Negara is widely expected to leave the OPR unchanged at 2.75%, with economists surveyed by Bloomberg and Reuters expecting the central bank to stay on hold. Energy (+3.4%), Plantation (+2.4%) and both Financial Services and Consumer Products & Services (+1.6%) led sectoral gains, driven by Petronas Gas (+5.2%), CelcomDigi (+2.4%) and 99 Speedmart (+2.0%), while Losers outnumbered Gainers 456 to 618 with 519 counters closed unchanged.

Asian markets closed mostly in bearish mode on Wednesday due to sharp swings in chipmaker stocks over AI worries and growing concerns about risky investment products rattled investors. KOSPI led regional declines (-5.4% to 7,246.8), followed by TAIEX (+0.6% to 45,734.4), Shanghai Composite (-0.5% to 3,970.9), and Nikkei 225 (-2.1% to 66,819.1) and Hang Seng Index Incline (+3.0% to 24,199.5). China's losses were led by Process Industries (-3.5%), Producer Manufacturing (-2.9%), and Non-Energy Minerals (-2.5%), while South Korea declined on weakness in Industrial Services (-6.8%), Producer Manufacturing (-6.5%), and Electronic Technology (-6.2%). Hong Kong gain were driven by Retail Trade (+7.6%), Commercial Services (+4.7%) and Technology Services (+4.5%).

European stocks closed sharply lower on Wednesday, tracking a global selloff as renewed Iran-US strikes raised Eurozone inflation risks. The Euro STOXX 50 fell -1.8% to 6,204.9, while the STOXX Europe 600 dropped -1.6% to 635.9. The US moved to block Iran's oil sales after President Trump invalidated the ceasefire, pushing fuel prices and sovereign yields higher, and increasing expectations of more ECB rate hikes. Banks led declines, with Santander and Deutsche Bank down over 5%, while UniCredit fell 2.9% after raising its Commerzbank stake. The AI trade also weakened, with SAP sliding 4%.

Wall Street closed mixed on Wednesday as higher oil prices and Treasury yields pressured sentiment, while chipmakers rebounded. The S&P 500 fell 0.3% to 7,482.7, the Dow -1.1% to 52,348.4, and the Nasdaq CI gained 0.2% to 25,870.7. Energy-driven inflation concerns rose after President Trump said the Iran ceasefire was "over", while Fed minutes showed some policymakers support further rate hikes if inflation remains elevated. JPMorgan fell 2.5% and Visa declined 1.3%. AI hyperscalers weakened on data centre spending concerns, with Alphabet (-1.4%), Amazon (-1.0%), and Microsoft (-1.4%) lower. Chipmakers boosted the Nasdaq, with Broadcom (+4.8%) gaining after expanding its Apple (+0.9%) agreement, while Nvidia rose 3.6% on higher Chinese H200 chip demand.

## Macro Snapshots

- **US:** Wholesale inventories in May revised lower
- **CN:** Auto sales drop even as exports help cushion slump
- **MY:** BNM governor: Future of finance to be defined by trust, not technology
- **MY:** And UAE to further strengthen ties, explore strategic cooperation

## Corporate Snapshots

- **INFOM:** Secures RM21m ICT support job from JPJ
- **YNHPROP:** Sells KL city land to Chin Hin for RM455m in cash-share deal
- **EITA:** Bags RM20.5m Indonesia data centre busduct supply contract
- **CHGP:** Plans KL project with GDV of RM3.6 bil via RM455 mil land acquisition

Key Indices	Last Close	Daily chg %	YTD chg %
FBM KLCI	1,683.6	0.0	0.2
Dow Jones	52,348.4	(1.1)	8.9
Nasdaq CI	25,870.7	0.2	11.3
S&P 500	7,482.7	(0.3)	9.3
SX5E	6,204.9	(1.8)	7.1
FTSE 100	10,516.3	(1.4)	5.9
Nikkei 225	66,819.1	(2.1)	32.7
Shanghai CI	3,970.9	(0.5)	0.1
HSI	24,199.5	3.0	(5.6)
STI	5,369.6	0.5	15.6

Market Activities	Last Close	% Chg
Vol traded (m shares)	2,962.8	10.2
Value traded (RM m)	2,176.8	5.9
Gainers	456	
Losers	618	
Unchanged	519	

Top 5 Volume	Last Close	Daily chg %	Vol (m)
ZETRIX	0.750	(0.7)	65.5
AAX	1.140	(3.4)	39.0
GII	0.505	1.0	34.4
PENTECH	0.275	(1.8)	30.5
NATGATE	0.800	(4.2)	28.6

Top 5 Turnover	Last Close	Daily chg %	Val (RM m)
PMAH	7.500	(2.2)	124.7
PBK	4.930	0.4	92.4
MAY	10.940	0.2	73.0
GAM	4.060	(1.0)	51.7
ZETRIX	0.750	(0.7)	49.4

Currencies	Last Close	Daily chg %
USD/MYR	4.078	(0.2)
USD/JPY	162.490	(0.2)
EUR/USD	1.141	(0.0)
USD/CNY	6.799	(0.1)
US Dollar Index	101.112	0.1

Commodities	Last Close	% Chg
Brent (USD/barrel)	78.0	5.1
Gold (USD/troy oz)	4,057.0	(1.2)
CPO (MYR/metric t)	4,498.0	0.3
Bitcoin (USD/BTC)	62,128.3	(2.4)

Source: Bloomberg



## Macro News

### US: Fed Divided Over Interest Rate Outlook

Fed officials were divided on the future of interest rates and discussed a range of scenarios for the evolution of the economy and monetary policy, minutes from the FOMC meeting in June 2026 showed. Participants generally assessed that upside risks to inflation remained elevated and a few commented that, in light of these developments, there was a case for raising interest rates. *(Federal Reserve)*

### US: Oil Jumps as US-Iran Tensions Escalate

Crude oil prices surged as much as 7% at \$75.6 a barrel on Wednesday as escalating tensions in the Middle East fueled concerns over further supply disruptions. President Trump said that as far as he is concerned, the ceasefire is over and threatened additional strikes on Iran and a new blockade. Yesterday, the US revoked a waiver that had allowed Iran to sell crude, following attacks on vessels transiting Hormuz. *(Trading Economics)*

### US: Trump says interim accord to end Iran war 'over', warns of new US strikes

US President Donald Trump said an interim agreement to end the war with Iran was "over" on Wednesday after Tehran carried out new attacks on US bases in the Gulf. In a flare-up of hostilities that pushed oil prices up sharply, Iran said it had targeted US military sites in Bahrain and Kuwait after US forces struck Iranian targets in response to attacks on tankers in the Strait of Hormuz. *(Bloomberg)*

### US: Wholesale inventories in May revised lower

US wholesale inventories rose far less than initially thought in May, which could temper expectations that restocking would provide a significant lift to economic growth in the second quarter. Stocks at wholesalers edged up 0.1%, revised down from the 0.3% increase estimated last month, the Commerce Department's Census Bureau said on Wednesday. *(Bloomberg)*

### US: Trump says 'a lot of unity' at Nato summit after lashing allies

President Donald Trump threw a summit of Nato leaders into disarray on Wednesday as he demanded the United States cut trade ties with Spain and made renewed claims on Greenland, irking another Nato ally Denmark. Speaking in the Turkish capital Ankara, Trump called Madrid a "terrible partner" in Nato as he railed against allies for not supporting the war on Iran and ordered Treasury Secretary Scott Bessent to halt all trade with Spain. *(Reuters)*

### US: Chip worker shortfall endangers US factory revival

A growing nationwide shortage of high-skilled workers threatens to delay construction of billions of dollars in new semiconductor plants across the US and constrain future chip production unless the industry pools resources and the government keeps up funding, according to a new report. The deficit is expected to be most acute in states such as Texas, California, Arizona, New York and Ohio. *(Bloomberg)*

### IMF: Edges 2026 global growth forecast lower to 3%, sees rebound in 2027

The International Monetary Fund on Wednesday inched its 2026 global growth forecast lower again to 3.0%, warning of ongoing risks posed by the war in the Middle East, trade fragmentation and potential corrections in market expectations for AI. The global lender said the world economy had dodged a sharper downturn as a result of the war, with demand-driven momentum in the tech sector helping to offset a war-related drop in energy supplies. *(Reuters)*

### NZ: Raises key rate to head off inflation pressures

New Zealand's central bank raised its key interest rate for the first time in three years, signalling it wants to move to less stimulatory settings in order to counter inflationary pressures. The Reserve Bank's Monetary Policy Committee increased the Official Cash Rate by 25 basis points to 2.5% on Wednesday in Wellington, as expected by 16 of 22 economists surveyed. *(Bloomberg)*

### CN: Auto sales drop even as exports help cushion slump

China's passenger-car market contracted again in June, with data showing a widening split between domestic demand and surging overseas shipments. Retail sales of passenger vehicles fell 23.2% from the year before to 1.6 m units, China's Passenger Car Association said on Wednesday. New-energy vehicle sales, including plug-in hybrids and pure-electric vehicles, slipped 9% year-over-year, though the segment still accounted for over 60% of the market for a third straight month. *(Bloomberg)*

### SK: To closely watch risks around stock market volatility

South Korea's finance minister agreed on Wednesday with other economic policymakers to closely monitor risk factors that could heighten stock market volatility, the ministry said. Stock market volatility has risen amid foreign and institutional profit-taking, portfolio rebalancing and shifting expectations for the global AI sector, the ministry said in a statement after Minister Koo Yun-cheol met with the central bank governor and the heads of financial regulators. *(Reuters)*



**SK: Stocks slide into bear market; Indonesia on S&P's watch list**

South Korean equities extended losses on Wednesday amid volatility in chipmakers, with the benchmark dropping more than 20% from June's record close, signalling that the market is in bear territory, while Indonesian stocks tumbled after S&P Dow Jones warned of a possible downgrade to frontier status. Indonesia's benchmark equity gauge fell 1.5%, snapping a five-day rally, after S&P Dow Jones Indices warned Indonesia risks a downgrade to frontier from emerging status due to market transparency issues. *(Reuters)*

**SG: Cost of driving in Singapore soars as ownership certificates reach nearly US\$100,000**

Car buyers in Singapore will now need to fork out almost US\$100,000 (RM407,560) for a certificate to own a small car, as costs in the city-state's vehicle quota system hit an all-time high for small models on Wednesday. Singapore regularly auctions a fixed number of "certificates of entitlement" allowing car ownership for 10 years, which helps limit the number of vehicles on the road to about one million. *(Reuters)*

**MY: Port Klang's third terminal to make Malaysia a leading regional maritime hub — Loke**

Malaysia aims to become a leading maritime hub in Southeast Asia through the development of Port Klang's Third Terminal on Carey Island, which is expected to take nearly 20 years to be fully completed, said Transport Minister Anthony Loke Siew Fook. He said the megaproject, to be implemented in phases, is a critical step to ensure the country's maritime competitiveness remains strong over the next 20 to 30 years. *(Bernama)*

**MY: Revised policy on imported electric vehicles to protect local ecosystem, says Miti**

Putrajaya's revised stance on fully imported electric vehicles is necessary to protect the development of local industry, according to the Ministry of Investment, Trade and Industry (Miti). The policy change on completely-built-up (CBU) electric vehicles is part of a strategy for adoption and ecosystem development, Deputy Minister Sim Tze Tzin told the Dewan Rakyat on Wednesday. The next step will be to encourage localisation to allow local vendors to benefit from the sector, he said. *(The Edge)*

**MY: BNM governor: Future of finance to be defined by trust, not technology**

The future of finance will not be defined by the speed or sophistication of technology, but by whether it strengthens trust, broadens opportunity and serves society well. Bank Negara Malaysia governor Datuk Sri Abdul Rasheed Ghaffour said the approach is clear: encourage innovation, uphold trust and ensure that progress benefits society. *(Bernama)*

**MY: And UAE to further strengthen ties, explore strategic cooperation**

Malaysia and the United Arab Emirates (UAE) remain committed to strengthening bilateral relations by exploring strategic cooperation that would benefit both countries, said Prime Minister Datuk Seri Anwar Ibrahim. He said the commitment was reaffirmed during a courtesy call by the Defence, Interior and Foreign Affairs Committee chairman of the UAE's Federal National Council, Dr Ali Rashid Al Nuaimi, at his office in the Parliament building here on Wednesday. *(Bernama)*

## Corporate News

**SYNERGY: Receives tariff refunds for duties paid on shipments to US**

Furniture player Synergy House Bhd said it has received US\$1.92m (RM7.83m) in tariff refunds for import duties previously paid on goods shipped to the US. In a bourse filing on Wednesday, the furniture maker said the refunds relate to tariffs paid under the International Emergency Economic Powers Act (IEEPA), which was introduced by US President Donald Trump last year. The refunds were made by the US Customs and Border Protection (CBP) following recent US court rulings that struck down the tariffs. *(The Edge)*

**CHGP: Plans KL project with GDV of RM3.6bn via RM455m land acquisition**

Chin Hin Group Property Bhd plans to develop a mixed-use project with an estimated gross development value (GDV) of RM3.60bn in Kuala Lumpur's Golden Triangle and a total development cost of RM2.72bn. The proposed development, comprising service apartments, a hotel and retail components, is subject to the final development plans and statutory approvals. *(The Edge)*

**PMIBHD: Pan Merchant bags RM17m filtration solutions supply contract**

Pan Merchant Bhd said on Wednesday it has secured a contract worth RM17m to supply membrane filtration solutions for the food processing industry in Malaysia. In a bourse filing, the industrial filtration engineering specialist said the contract was awarded to its subsidiary PMI-Technology Sdn Bhd by an undisclosed customer identified only as Company A. *(The Edge)*

**HEKTAR: REIT acquires first industrial asset in Bayan Lepas Free Industrial Zone**

Hektar Real Estate Investment Trust has acquired its first industrial property, located in the Bayan Lepas Free Industrial Zone in Penang, further growing its portfolio beyond its bread-and-butter retail sector. In a statement on Wednesday, Hektar REIT said the RM30m acquisition is part of its larger strategy of acquiring properties in high-demand markets to reduce its concentration in the retail sector. *(The Edge)*



**EITA: Bags RM20.5m Indonesia data centre busduct supply contract**

Elevator systems manufacturer Eita Resources Bhd has secured a RM20.5m contract to supply and deliver its busduct system, a high-capacity electrical distribution system, for a data centre project in Indonesia. In a Bursa Malaysia filing on Wednesday (July 8), Eita Resources said its wholly-owned Furutec Electrical Sdn Bhd had accepted a letter of award from an unnamed customer for the contract. *(The Edge)*

**INFOM: Secures RM21m ICT support job from JPJ**

Infomina Bhd has secured a RM21.13m contract from the Road Transport Department (JPJ) for the provision of technology infrastructure operations, maintenance and support services. The information technology solutions provider said the contract covers maintenance and technical support services for JPJ's information and communications technology (ICT) infrastructure and networking hardware across more than 170 branches nationwide, including the department's mobile vehicles. *(The Edge)*

**KLK: Ex-KLK employee charged over alleged concealment of palm oil stock records**

A former Kuala Lumpur Kepong Bhd employee pleaded not guilty at the Magistrate's Court here on Wednesday to a charge of deceiving the company through the concealment of the actual status of crude palm oil inventory in 2024. TR Logeswaran, 39, currently a palm oil mill manager in South Africa, made the plea after the charge was read out before Magistrate Norizan Riduan. *(The Edge)*

**PEKAT: Wins earthing and lightning protection jobs for data centres worth RM46.9m**

Pekato Group Bhd has secured two contracts with a total value of RM46.94m for the supply and installation of earthing and lightning protection systems at data centre developments in Negeri Sembilan and Johor. In a statement on Wednesday, the group said the first contract, valued at RM19.73m, is for a hyperscale data centre in Port Dickson and is scheduled for completion by June 30, 2027. *(The Edge)*

**OXB: Pivots back to semiconductor, leverages data centre boom to drive growth**

PENANG-based Oxford Innotech Bhd is shifting its focus back to the semiconductor sector after weaker contributions from its modular building systems (MBS) business, and is positioning itself to capture opportunities from the fast-growing data centre industry. The ACE Market-listed integrated engineering solutions provider saw its net profit fall 55% to RM7.06m in the financial year ended Dec 31, 2025 (FY2025), down from RM15.6m in the previous year. *(The Edge)*

**YNHPROP: Sells KL city land to Chin Hin for RM455m in cash-share deal**

YNH Property Bhd is selling a prime freehold land parcel along Jalan Sultan Ismail in the city centre here, which it originally intended for its Menara YNH project, to Chin Hin Group Property Bhd for RM455m in a cash-and-share deal. Under the deal, YNH's wholly-owned unit YNH Land Sdn Bhd will receive RM409.48m in cash and RM45.5m worth of redeemable preference shares at an issue price of RM100 apiece in Chin Hin Property (JSI) Sdn Bhd (CHPJSI). *(The Edge)*

**PRG: Second-largest shareholder Sheah Kok Fah makes second attempt to remove MD**

PRG Holdings Bhd's second-largest shareholder Datuk Sheah Kok Fah, together with shareholders holding a combined stake of more than 10% in the company, have called for an extraordinary general meeting (EGM) to remove group managing director Andrew Chan Lim-Fai and revamp the board. *(The Edge)*

**ENEST: Bird's nest firm Enest Group posts RM2m quarterly profit ahead of ACE Market debut**

Bird's nest firm Enest Group Bhd reported a first-quarter net profit of RM2.04m ahead of its ACE Market listing next Wednesday (July 15). The net profit for its first quarter ended March 31, 2026, was made on a revenue of RM42.11m, its bourse filing showed. No comparative figures were provided as this is the company's first interim financial report. *(The Edge)*



Upcoming key economic data releases	Date
US 10-Year Note Auction	July 09
US FOMC Meeting Minutes	July 09
US Initial Jobless Claims	July 09
US Existing Home Sales (Jun)	July 09
CPI (MoM) (Jun)	July 14
Core CPI (MoM) (Jun)	July 14
CPI (YoY) (Jun)	July 14
PPI (MoM) (Jun)	July 15
Retail Sales (MoM) (Jun)	July 16
Core Retail Sales (MoM) (Jun)	July 16
Philadelphia Fed Manufacturing Index (Jul)	July 16
Initial Jobless Claims	July 16
<i>Source: Investing.com</i>	

## Stock Selection Based on Dividend Yield

	Sector	Price (RM)	Dividend/Share (RM)	Dividend Yield (%)
Sentral REIT	REIT	0.71	0.07	9.15
MBM Resources	Consumer	4.77	0.42	8.89
CapitaLand Malaysia Trust	REIT	0.61	0.05	8.36
KIP REIT	REIT	0.84	0.07	8.14
Bermaz Auto	Consumer	1.04	0.08	7.88
YTL Hospital REIT	REIT	1.04	0.08	7.79
Paramount Corporation	Property	1.00	0.07	7.30
AI-Salam REIT	REIT	0.57	0.04	7.08
Ta Ann Holdings	Plantation	5.58	0.39	6.92
Sports Toto	Consumer	1.40	0.09	6.71
TIME dotCom	Telco	6.00	0.40	6.65
AI-Aqar Healthcare REIT	REIT	1.16	0.07	6.47
UOA Development	Property	1.71	0.11	6.20
MAG Holdings	Consumer	1.32	0.08	6.06
Magnum	Consumer	1.32	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		
Enest Group Berhad	ACE Market	0.13	116.3	15.1	02 July	15 July
Stratus Global Holdings Berhad	Main Market	0.80	356.3	-	10 July	21 July

Source: Bursa Malaysia



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## Published & Printed By:

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