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Daily Newswatch

Market Review

The FBM KLCI closed high +0.5% to 1,722.2 on Thursday, supported by selective buying in blue chips while investors remained cautious amid a mixed regional market performance. Property (+1.1%), both Financial Services (+0.8%) and Contruction (+0.8%) and Industrial & services (+0.7%) led sectoral gains, driven by both IOI Properties (+3.2%), Public Bank (+3.0%), Sunway (+2.1%), while Gainers outnumbered Losers 572 to 530 with 587 counters closed unchanged.

Asian markets closed low on Friday, World shares mostly declined Thursday and oil prices slipped despite a flurry of strikes between the U.S. and Iran. U.S. futures edged lower, while selling of AI-related shares weighed on benchmarks in South Korea and Japan. Kospi (-6.4%% to 6,820.6) led gains, followed by Nikkei 225 (-2.8% to 66,835.5), Shanghai Composite (-1.9% to 3,882.4), TAIEX (0% to 46,543.0) and Hang Seng (+1.3% to 25,008.6). South Korea losses on Electronic Technology (-9.5%), Health Services (-6.6%) and Industrial Services (-4.7%) while Nikkei losses were led by Electronic Technology (-6.5%), Communications (-3.2%) and Producer Manufacturing (-1.8%). TAIEX was supported by Distribution Services (-3.2%) and Process Industries (-1.6%).

European stocks closed little changed with slight higher on Thursday as concerns over energy-driven inflation offset positive corporate developments. The Euro STOXX 50 rose 0.3% to 6,283.6, while the STOXX Europe 600 gained 0.2% to 643.7. Luxury stocks extended gains following strong Richemont earnings, while Publicis advanced after raising its full-year guidance. Meanwhile, higher gas prices weighed on utilities and AI infrastructure-related names, while energy producers were mixed following earnings updates.

Wall Street closed lower on Thursday as semiconductor weakness and geopolitical risks overshadowed solid corporate results. The S&P 500 fell 0.5% to 7,533.8, the Nasdaq CI declined 1.5% to 25,882.0, and the Dow slipped 0.2% to 52,553.0. Concerns over AI valuations weighed on chipmakers, with Micron and AMD falling more than 5%, SanDisk down over 12%, Broadcom losing about 5%, and SK Hynix ADRs plunging more than 13%. The weakness spread to Big Tech, with Alphabet falling over 4% on reports of delays to its Gemini 3.5 Pro model, while Meta, Nvidia, and Amazon also declined. Meanwhile, UnitedHealth beat earnings expectations and raised its 2026 outlook, while Netflix reported quarterly revenue of US$12.56bn, up 13% YoY but slightly below estimates.

Macro Snapshots

- **US:** Retail sales rise marginally in June
- **UK:** Economy grew by 0.1% in May, driven by services firms
- **CN:** And Kazakhstan trade, logistics ties deepen via corridor expansion
- **MY:** Consumer spending to grow in 2026 — BMI

Corporate Snapshots

- **KERJAYA:** Buys 9.09% stake in solar player ES Sunlogy for RM18.8m
- **BRPROP:** RM58m bet on Perlis project based on RM16m annual profit forecast
- **ICENTS:** Unit bags RM12.9m job from Netherlands-based tech company for renovation works
- **LIFTECH:** Wins RM25 mil contract from AME Elite Consortium for Sepang test cell facility works

Key Indices	Last Close	Daily chg %	YTD chg %
FBM KLCI	1,722.2	0.5	2.5
Dow Jones	52,553.0	(0.2)	9.3
Nasdaq CI	25,882.0	(1.5)	11.4
S&P 500	7,533.8	(0.5)	10.1
SX5E	6,283.6	0.3	8.5
FTSE 100	10,572.2	0.5	6.5
Nikkei 225	66,835.5	(2.8)	32.8
Shanghai CI	3,882.4	(1.8)	(2.2)
HSI	25,008.6	1.3	(2.4)
STI	5,539.4	(0.4)	19.2

Market Activities	Last Close	% Chg
Vol traded (m shares)	3,681.4	(9.8)
Value traded (RM m)	2,803.9	(1.4)
Gainers	572	
Losers	530	
Unchanged	587	

Top 5 Volume	Last Close	Daily chg %	Vol (m)
TANC	0.320	1.6	132.9
NATGATE	1.170	20.6	124.1
VSI	0.235	6.8	93.6
SFPTECH	0.340	13.3	80.4
HHR	0.145	(12.1)	71.9

Top 5 Turnover	Last Close	Daily chg %	Val (RM m)
PBK	5.200	3.0	295.1
NATGATE	1.170	20.6	136.5
SDG	6.700	1.2	116.6
PMAH	8.070	0.6	108.5
TNB	14.300	(0.6)	103.6

Currencies	Last Close	Daily chg %
USD/MYR	4.073	0.1
USD/JPY	162.470	(0.2)
EUR/USD	1.143	(0.3)
USD/CNY	6.773	(0.1)
US Dollar Index	100.802	0.3

Commodities	Last Close	% Chg
Brent (USD/barrel)	84.4	(0.7)
Gold (USD/troy oz)	3,984.5	(1.9)
CPO (MYR/metric t)	4,517.0	(0.4)
Bitcoin (USD/BTC)	64,229.3	(1.1)

Source: Bloomberg

Macro News

US: Money market funds turn defensive with Fed rate outlook uncertain

Money market funds are taking a more cautious approach in their portfolios, reflecting lingering uncertainty about the U.S. Federal Reserve's rate policy path, the latest industry data show. Weighted average maturity — the average time until securities held by a money market fund mature — fell to 38 days for the week ending July 10 for the Crane Money Fund Average, a broad industry measure, from 42 days a month ago. (*Reuters*)

US: Weekly jobless claims fall; labour market remains stable

The number of Americans filing claims for unemployment benefits fell last week, pointing to continued labour market stability. Initial claims for state unemployment benefits dropped 8,000 to a seasonally adjusted 208,000 for the week ended July 11, the Labor Department said on Thursday. Economists polled by *Reuters* had forecast 217,000 claims for the latest week. Claims have retreated after surging at the end of May and staying elevated through mid-June. (*Reuters*)

US: Retail sales rise marginally in June

US retail sales increased marginally in June as lower gasoline prices weighed on receipts at service stations, though bargain-hunting consumers continued to support underlying spending. Retail sales rose 0.2% last month after an upwardly revised 1.0% jump in May, the Commerce Department's Census Bureau said on Thursday. Economists polled by *Reuters* had forecast retail sales, which are mostly goods and are not adjusted for inflation, gaining 0.2% after a previously reported 0.9% advance in May. Estimates ranged from a 0.4% drop to a 1.0% increase. (*Reuters*)

UK: Economy grew by 0.1% in May, driven by services firms

Britain's economy grew by 0.1% in May, in line with the median forecast in a *Reuters* poll of economists,as the country's services sector expanded, official data showed on Thursday. Industrial production and construction both contracted during the month, the Office for National Statistics said. In the three months to May, economic output grew by 0.7%, slowing slightly from an upwardly revised 0.8% in the three months to April. (*Reuters*)

CN: Heatwave fuels record electricity demand in Shanghai

Shanghai's power grid hit a record peak load of 42.22m kilowatts on Wednesday, 57,000 kilowatts higher than last year's peak of 42.16m kilowatts, according to the State Grid Shanghai Municipal Electric Power Co. The city's soaring temperatures have continued to drive electricity demand to new highs, with air conditioning expected to account for about 44 percent of the total load. (*China Daily*)

CN: And Kazakhstan trade, logistics ties deepen via corridor expansion

Kazakhstan is ramping up efforts to develop the "Middle Corridor" as a vital logistics artery connecting China and Europe, with plans to invest $10bn to expand its railway and infrastructure capacity to meet surging cross-border freight demand. Talgat Aldybergenov, former chairman of Kazakhstan's national railway company Kazakhstan Temir Zholy (KTZ), said the volume of Chinese goods transported to Europe via Kazakhstan has seen a notable increase following recent global shipping disruptions. (*China Daily*)

JP: Finance minister: Economic growth potential may warrant review of pension asset mix

Japanese Finance Minister Satsuki Katayama said on Thursday that an increase in the economy's growth potential stemming from a shift in government policy could warrant changes to the asset allocations of the nation's state pension funds. The Government Pension Investment Fund (GPIF) "reviews its portfolio and asset allocation appropriately and in a timely manner every fiscal year," Katayama told parliament. (*Reuters*)

JP: Household inflation expectations rise, build case for BOJ rate hikes

China said on Wednesday that it "firmly opposes" a sanctions bill proposed by US senators and supported by US President Donald Trump that targets countries buying Russian energy. The bipartisan legislation could potentially clear the way for the United States to exert stronger pressure on Russia over its war in Ukraine. US senators spearheading the bill said in a joint statement last week that they expected to unveil the updated legislation "very soon". (*Reuters*)

MY: Govt refunded RM14.7 bil excess taxes as of June 30, 2026 — MOF

The government has refunded RM14.7bn in excess tax payments involving 3.17m taxpayer cases as of June 30, 2026, according to the Ministry of Finance (MOF). Of the total amount, RM5.75bn was refunded to 3.1m individual taxpayers, while RM8.95bn was refunded to 76,511 corporate taxpayers, including 23,356 micro, small and medium enterprises (MSMEs). (*Bernama*)

MY: Now owe over RM5bn in buy-now-pay-later loans — Finance Ministry

Malaysians' outstanding buy now, pay later loans have grown by some RM400m in just three months from the end of 2025, latest government data show. Loan balances under the service also known as BNPL totalled RM5.3bn at the end of March versus RM4.9bn at end-2025, according to Prime Minister Datuk Seri Anwar Ibrahim, who is also finance minister, in a written parliamentary reply dated July 15. The government took note of the significant growth in the use of BNPL, particularly among young people, he said. (*The Edge*)

MY: Consumer spending to grow in 2026 — BMI

Malaysia's consumer spending is expected to grow in 2026, underpinned by stable economic growth and employment outlook, said BMI, a Fitch Solutions company. In a statement, it said household spending is projected to grow by 4.2% year-on-year (y-o-y) in real terms to RM1.10tn (at 2010 prices), well above the pre-Covid-19 (2019) value of RM779.7bn. "Additionally, the country's tight labour market will support spending, with real wage growth forecast to comfortably outpace inflation and underpin purchasing power over the year. (*Bernama*)

MY: Liquidity in Malaysia may tighten further as rate-hike bets grow

Funding conditions in Malaysia's money market will likely tighten further later this year, with some analysts expecting stronger economic growth to prompt the country's central bank to raise interest rates. The three-month Kuala Lumpur Interbank Offered Rate, or Klibor, rose to a one-year high of 3.46% earlier this month. The benchmark measure of borrowing costs is now about 70 basis points above Bank Negara Malaysia's (BNM) policy rate, up from around 50 basis points at the start of the year. (*Bloomberg*)

MY: MOF: Federal govt's statutory debt remains under 65% limit as of end-March 206

The federal government's statutory debt stood at 61.9% of gross domestic product (GDP) as of end-March 2026, still below the statutory limit of 65%, according to the Finance Ministry (MOF). The ministry said the government continues to maintain fiscal discipline and comply with all statutory debt limits set. "The government has never failed to meet its interest payment obligations or repaying matured debt. (*Bloomberg*)

MY: Special economic zone, RTS Link to align Singapore's economic interests with Malaysia — President Tharman

The Johor-Singapore Special Economic Zone (JS-SEZ) and the upcoming Johor Bahru-Singapore Rapid Transit System (RTS) Link will further strengthen economic complementarity between Malaysia and Singapore, the city state's President Tharman Shanmugaratnam said. Speaking to Singapore media in Kuala Lumpur at the conclusion of his state visit to Malaysia from July 12 to 15, Tharman said Malaysia and Singapore are building a more mature economic partnership that would benefit both countries. (*Bernama*)

MY: Semiconductor sector attracted RM91.9b in investments since 2024 — deputy minister

Malaysia's semiconductor sector attracted about RM91.9bn in approved investments between January 2024 and March 2026, according to the Ministry of Investment, Trade and Industry (Miti). Deputy Minister Sim Tze Tzin said this illustrates the effectiveness of the National Semiconductor Strategy (NSS) launched in 2024. The approved investment sum comprises RM82.9bn in foreign direct investment and RM8.9bn in domestic direct investment. (*The Edge*)

Corporate News

GDB: Proposed liquidator appointed joint liquidator as 8 Conlay developer is wound up

GDB Holdings Bhd said its wholly owned subsidiary Grand Dynamic Builders Sdn Bhd (GDBSB) has been informed of the Shah Alam High Court's order for 8 Conlay project developer Damai City Sdn Bhd (DCSB) to be wound up. In a Bursa Malaysia filing on Wednesday, GDB said the winding-up order followed a petition filed by TSL Victory Sdn Bhd under the Companies Act 2016. The High Court has also appointed Lim Tian Huat and Chiang Teng Guan of Rodgers Reidy & Co as joint liquidators of DCSB, following an application by GDBSB. (*The Edge*)

SRIDGE: Appoints five new directors in board shakeup

Telecommunications infrastructure installer Silver Ridge Holdings Bhd has appointed five new directors following the resignation of six board members as part of its succession planning and leadership transition. The appointments took effect on Thursday (July 16), according to the group's bourse filing. Silver Ridge's new appointments follow the resignation of six directors, including group managing director Datuk Khoo Yik Chou, deputy group managing director Syauqat Mohd Suhaimi, executive director Syakur Mohd Suhaimi, and three independent directors, as part of the company's succession planning and leadership transition on June 26, 2026. (*The Edge*)

CHEETAH: Morgan Stanley client's stake in Cheetah falls below 5%

Morgan Stanley & Co International plc has pared down the stake held on behalf of a client in apparel retailer Cheetah Holdings Bhd to below the 5% threshold. The multinational investment bank's UK-based unit, on behalf of Mitsubishi UFJ Financial Group (MUFG), sold 18.6m shares or a 3.83% stake in Cheetah on July 14, according to a bourse filing on Thursday. MUFG is deemed interested in Cheetah shares held by Morgan Stanley Group due to its more than 20% stake in the investment bank. *(The Edge*)

PADINI: Says all of its bank accounts released by MACC

Padini Holdings Bhd, whose share price has dropped over 20% since the start of this year, said authorities have released all bank accounts belonging to the apparel company and its subsidiaries. No director, officer, employee or representative of the group had been arrested or charged in connection with the investigation by the Malaysian Anti-Corruption Commission (MACC), Padini said in a statement on Thursday. Neither the holding company nor any member of the group has been subject to forfeiture proceedings in connection with the investigation, Padini said. *(The Edge*)

CRPMATE: Says MACC has lifted freeze on all bank accounts linked to probe

Klang-based fertiliser manufacturer Cropmate Bhd's affected bank accounts belonging to the company and its subsidiaries have been unfrozen by the Malaysian Anti-Corruption Commission (MACC). The fertiliser company, in a bourse filing on Thursday, added that none of its directors, officers, employees or representatives had been arrested or charged with any offence arising from the matter. Cropmate said neither the company nor its subsidiaries had been made the subject of any forfeiture proceedings in connection with the MACC investigation. *(The Edge*)

GUOCO: Trading in GuocoLand Malaysia shares to be suspended from July 30 ahead of delisting

GuocoLand (Malaysia) Bhd said trading in its shares will be suspended from July 30 to facilitate the selective capital reduction and capital repayment exercise for the company's privatisation by its controlling shareholder, GLL (Malaysia) Pte Ltd (GLLM). The exercise, approved by shareholders on May 29, will pave the way for the property developer's delisting from Bursa Malaysia's Main Market. GuocoLand Malaysia is the property arm of the Tan Sri Quek Leng Chan-controlled Hong Leong Group. *(The Edge*)

LIFTECH: Wins RM25 mil contract from AME Elite Consortium for Sepang test cell facility works

Newly-listed company Liftech Group Bhd has secured a RM25m contract from AME Elite Consortium Bhd to provide a material handling system for an aerospace-related test cell facility in Sepang, Selangor. In a statement on Thursday, the industrial lifting and handling equipment specialist said its wholly owned unit Liftech Engineering (KL) Sdn Bhd had accepted a letter of award from AME Construction Sdn Bhd — AME Elite's subsidiary. *(The Edge*)

KERJAYA: Buys 9.09% stake in solar player ES Sunlogy for RM18.8m

Construction player Kerjaya Prospek Group Bhd is expanding into the renewable energy sector by acquiring a 9.09% stake in ES Sunlogy Bhd for RM18.76m cash. The group subscribed for 70m new ES Sunlogy shares via a wholly-owned subsidiary under a private placement exercise at 26.8 sen apiece, said Kerjaya Prospek in a bourse filing on Thursday. It said the move allows it to participate in ES Sunlogy's engineering and renewable energy businesses, to capitalise on favourable industry trends and the increasing adoption of sustainable energy solutions. (*The Edge*)

ICENTS: Unit bags RM12.9 mil job from Netherlands-based tech company for renovation works

Cleanroom services provider iCents Group Holdings Bhd said its wholly owned subsidiary VC Engineering Sdn Bhd has a secured a RM12.9m contract to carry out renovation works for a factory, warehouse, and office in the Klang Valley. In a filing on Bursa Malaysia, the group said the contract was awarded by a Malaysian subsidiary of a Netherlands-based technology company that serves the semiconductor, medical and life sciences industries, as well as infrastructure and energy sectors. Both identities of the companies were not disclosed in the filing. *(The Edge*)

BPROP: RM58m bet on Perlis project based on RM16m annual profit forecast

Berjaya Property Bhd is investing RM58m in Perlis Maritime Corridor (PMC) developer Manjaran Sdn Bhd to enter the port, logistics and energy sectors, betting the project will generate an average RM16m in annual profit after tax over the next 20 years. In a Bursa Malaysia filing on Thursday, Berjaya Property explained the basis for arriving at the RM58m subscription consideration. *(The Edge*)

Upcoming key economic data releases	Date
Initial Jobless Claims	July 23
S&P Global Manufacturing PMI (Jul)	July 24
S&P Global Services PMI (Jul)	July 24
New Home Sales (Jun)	July 24
Source: Investing.com	

Stock Selection Based on Dividend Yield

	Sector	Price (RM)	Dividend/Share (RM)	Dividend Yield (%)
Sentral REIT	REIT	0.72	0.06	9.09
MBM Resources	Consumer	4.73	0.42	8.96
CapitaLand Malaysia Trust	REIT	0.61	0.05	8.36
KIP REIT	REIT	0.85	0.07	8.05
YTL Hospital REIT	REIT	1.04	0.08	7.69
Bermaz Auto	Consumer	1.07	0.08	7.66
Paramount Corporation	Property	1.00	0.07	7.30
Sports Toto	Consumer	1.35	0.09	6.96
Al-Salam REIT	REIT	0.59	0.04	6.84
TIME dotCom	Telco	5.99	0.40	6.66
Ta Ann Holdings	Plantation	5.80	0.39	6.66
Al-Aqar Healthcare REIT	REIT	1.16	0.07	6.47
MAG Holdings	Consumer	1.28	0.08	6.25
Magnum	Consumer	1.28	0.08	6.25
UOA Development	Property	1.71	0.11	6.20

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		
Stratus Global Holdings Berhad	Main Market	0.80	356.3	-	10 July	21 July

Source: Bursa Malaysia

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