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Daily Newswatch

Market Review

The FBM KLCI closed low -0.1% to 1,720.4 on Tuesday, weighed down by continued profit-taking, although positive market breadth indicated that selective buying interest remained intact. Plantation (-1.4%), Energy (-0.7%) and Health Care (-0.4%), led sectoral losses, driven by MR DIY (-2.4%), Petronas Chemical (-2.1%) and Kuala Lumpur Kepong (-2.0%), while gainers outnumbered losers 596 to 528 with 561 counters closed unchanged.

Asian markets closed mostly high on Tuesday, as mediation efforts in the Middle East pushed oil prices away from a one-month high, while investors braced for a slate of corporate earnings that will test an under pressure AI trade. TAIEX (4.2% to 44,232.9) led gains, followed by KOSPI (+3.6% to 6,748.0), Nikkei 225 (+3.3% to 6,232.2), Shanghai Composite (+1.8% to 3,864.4) and Hang Seng closed flat. Taiwan gains on Energy Minerals (+9.9%), Electronic Technology (+4.9%) and Technology Services (+4.1%) while South Korea gains were led by Industrial Services (+6.3%), Electronic Technology (+4.8%) and Finance (+2.9%) driven by, Japan was driven by Miscellaneous (+7.0%), Electronic Technology (+6.0%) and Energy Minerals (+4.7%).

European stocks closed higher on Tuesday as a rebound in AI-related stocks lifted market sentiment ahead of major earnings releases. The Euro STOXX 50 rose 0.9% to 6,285.6, while the STOXX Europe 600 gained 0.6% to 643.2. Technology and semiconductor stocks advanced on strong export data from South Korea and Taiwan, boosting optimism for AI demand. Meanwhile, banks gained ahead of earnings, while higher European natural gas prices continued to reflect ongoing Middle East tensions.

Wall Street closed higher on Tuesday as a rally in chipmakers lifted the broader market. The S&P 500 gained 0.9% to 7,509.2, the Nasdaq CI advanced 1.3% to 25,837.2, and the Dow Jones rose 0.7% to 52,224.6. Semiconductor stocks extended their rebound on strong Taiwan and South Korea export data, with Nvidia (+2.0%), Intel (+8.6%), Micron (+12.2%), Sandisk (+14.3%), and AMD (+8.1%) higher. The sector rallied ahead of Alphabet's (-1.4%) earnings, while elevated Treasury yields capped gains in financials. Elsewhere, GM (+4.9%) advanced after reporting earnings, while Charles Schwab (-2.5%) fell after missing estimates.

Macro Snapshots

- **US:** Oil Edges Higher on US-Iran Uncertainty
- **EU:** Heat morphs into major economic shock for unprepared Europe
- **CN:** Economy resilient, stronger momentum ahead
- **MY:** BNM to continue promoting two-way flows in onshore financial market

Corporate Snapshots

- **HKB:** Bags RM41.4m construction contract in Sarawak
- **MI:** Charts new high, market cap hits RM5bn after results
- **SUNSURIA:** Hits 88% take-up for Talisa
- **GEOHAN:** Bags RM40.9 m foundation job for mixed development in Persiaran KLCC

Key Indices	Last Close	Daily chg %	YTD chg %
FBM KLCI	1,720.4	(0.1)	2.4
Dow Jones	52,224.6	0.7	8.7
Nasdaq CI	25,837.2	1.3	11.2
S&P 500	7,509.2	0.9	9.7
SX5E	6,285.6	0.9	8.5
FTSE 100	10,585.9	0.6	6.6
Nikkei 225	66,232.2	3.3	31.6
Shanghai CI	3,864.4	1.8	(2.6)
HSI	25,132.3	(0.0)	(1.9)
STI	5,526.7	0.5	19.0

Market Activities	Last Close	% Chg
Vol traded (m shares)	3,539.2	7.9
Value traded (RM m)	2,803.6	26.6
Gainers	596	
Losers	528	
Unchanged	561	

Top 5 Volume	Last Close	Daily chg %	Vol (m)
STRATUS	2.110	163.8	137.1
AIMAX	0.010	0.0	129.9
VSI	0.250	11.1	115.1
ZETRIX	0.730	1.4	86.4
DNEX	0.465	4.5	56.5

Top 5 Turnover	Last Close	Daily chg %	Val (RM m)
STRATUS	2.110	163.8	272.1
PBK	5.200	0.2	134.1
MAY	11.020	0.0	84.3
MI	5.920	21.6	81.8
TNB	14.560	1.8	78.5

Currencies	Last Close	Daily chg %
USD/MYR	4.089	0.1
USD/JPY	163.210	(0.4)
EUR/USD	1.140	(0.1)
USD/CNY	6.767	0.0
US Dollar Index	101.178	0.2

Commodities	Last Close	% Chg
Brent (USD/barrel)	91.5	2.6
Gold (USD/troy oz)	4,085.0	1.9
CPO (MYR/metric t)	4,522.0	(0.3)
Bitcoin (USD/BTC)	66,423.5	1.7

Source: Bloomberg

Macro News

US: Oil Edges Higher on US-Iran Uncertainty

Crude oil climbed toward $85 per barrel on Wednesday, hovering near six-week highs as supply risks intensified across several major export routes even beyond the Middle East. President Donald Trump dismissed the likelihood of imminent talks with Iran while warning of additional strikes and pledging retaliation if Tehran-backed Houthi rebels in Yemen disrupted shipping through the Red Sea. (*Trading Economics*)

UK: Burnham targets lower energy bills in first move as PM

British Prime Minister Andy Burnham said on Tuesday that he would cut taxes on electricity bills in his first attempt to ease a lengthy cost-of-living crisis that has angered the public and helped stoke political instability. In his second day in his new role, Burnham said his government would remove the value-added tax from domestic electricity bills from Oct 1, cutting around £45 from the average annual bnl of around £1,862 that households pay. (*Reuters)*

EU: Banks further tighten companies' credit standards

Eurozone banks tightened corporate credit standards further as they see higher risks due to geopolitical events including the Iran war. Lenders also reported more rigid standards for mortgages, consumer credit and other lending to households, the European Central Bank said Tuesday in its second-quarter Bank Lending Survey. (*Bloomberg*)

EU: Heat morphs into major economic shock for unprepared Europe

Europe's status as the planet's fastest-warming continent is becoming a serious drag on its economic prospects. The region, where temperatures are rising at a pace that's roughly twice the global average, can no longer afford to ignore the economic impact of global warming, according to economists interviewed by *Bloomberg*. They say governments will need to invest billions of euros in the years ahead to protect citizens from increasingly dangerous heatwaves that are already cutting productivity, hurting industry and resulting in significant numbers of deaths. (*Bloomberg*)

CN: At risk of 20% youth joblessness as labour distress spreads

China's unemployment among young people could be headed for levels last seen more than three years ago, as a record number of graduates prepare to enter the labour market at a time when AI is threatening to displace more entry-level jobs. Surveyed unemployment in urban areas for those aged 16-24 came in at 14.9% last month, according to data released by the National Bureau of Statistics this week. (*Bloomberg*)

CN: And Thailand eye deeper tech cooperation to drive 'prosperous shared future'

China and Thailand have pledged more cooperation in technology and innovation, including aligning policies in related sectors and expanding exchanges, according to a joint statement that emphasised a "prosperous shared future" between both nations. The statement was released late on Monday after Thai Prime Minister Anutin Charnvirakul concluded a five-day visit to China. *(Reuters*)

CN: Economy resilient, stronger momentum ahead

First, new growth drivers continued to upgrade manufacturing and optimize the structure of foreign trade. Production of high-tech and high-value-added products accelerated, with their share in exports continuing to increase. In the first half, value-added industrial output of enterprises above designated size grew 5.4 percent year-on-year, while value-added output of high-tech manufacturing rose 13.3 percent, outpacing the same period last year by 3.8 percentage points and accelerating 0.8 percentage point from the first quarter. (*China Daily*)

JP: Releases economic plan without answer on sales tax issue

Japanese Prime Minister Sanae Takaichi's administration finally approved an annual economic and fiscal policy plan that cites the independence of the central bank, while leaving unresolved the issue of a costly sales tax cut on food. The cabinet approved the plan on Tuesday with a footnote stating that specific monetary policy tools are entrusted to the Bank of Japan (BOJ) and that its autonomy must be respected. That was a key addition from the original draft released on June 30. (*Bloomberg*)

MY: Retailers grapple with changing consumer habits, rising AI use in shopping

Malaysian retailers are facing mounting pressure to adapt as consumers increasingly shop across physical stores, online platforms and social media, industry players said on Tuesday. Retailers today operate in an increasingly complex environment, having to navigate multiple sales channels and now contend with growing use of artificial intelligence (AI) in shopping, said Datuk Liew Bin, president of the Malaysia Retail Chain Association. (*The Edge*)

MY: ECRL set to contribute up to RM90bn to GDP by 2047, says deputy minister

The East Coast Rail Link (ECRL) project is projected to generate RM80 bnlion to RM90bn in cumulative value added contribution to the country's gross domestic product (GDP) by 2047. Deputy Economy Minister Datuk Mohd Shahar Abdullah said the contribution would be driven by the development of 21 economic accelerator projects, which are expected to serve as the main drivers of economic returns along the ECRL corridor. (*Bernama*)

MY: National cars, EVs to stay ahead after better-than-expected first-half sales, says automotive association

Malaysians are expected to splurge on new national cars and electric vehicles after the industry reported better-than-expected sales in the first half of the year. Despite external uncertainties, demand is expected to remain resilient while new model launches, particularly sports utility vehicles and electrified models, are expected to drive sales, according to the Malaysian Automotive Association, or MAA. (*The Edge*)

MY: BNM to continue promoting two-way flows in onshore financial market

Bank Negara Malaysia (BNM) will continue its efforts to promote two-way flows and deepen Malaysia's onshore financial market through the measured liberalisation of its foreign exchange policy (FEP) framework, while safeguarding Malaysia's financial and macroeconomic stabnity. BNM governor Datuk Seri Abdul Rasheed Ghaffour said the central bank remains committed to strengthening the vibrancy, liquidity and efficiency of the domestic financial market through a combination of market development initiatives, sustained engagement with market participants and carefully calibrated policy enhancements, including the FEP framework. (*Bernama*)

Corporate News

SIMEPROP: Court orders Sime Darby Property to refund RM36.2m plus interest in West Coast Expressway land case

The Shah Alam High Court has ordered Sime Darby Property Bhd to repay RM36.23m, plus 5% annual interest, to the Malaysian Highway Authority (LLM). In a filing with Bursa Malaysia Tuesday, Sime Darby Property said the court found that the company had received more compensation than it was entitled to for land acquired for the West Coast Expressway. (*The Edge*)

ANCOMNY: Posts strongest quarterly profit in nearly four years

Chemical manufacturer Ancom Nylex Bhd reported its strongest quarterly earnings in almost four years, thanks to higher contributions from its industrial chemicals business. Net profit for the fourth quarter ended May 31, 2026 (4QFY2026) rose more than 46% to RM25.03m from RM17.07m a year earlier, according to the group's Bursa Malaysia filing on Tuesday. Revenue increased over 32% to RM608.88m from RM459.37m. (*The Edge*)

PRG: Rejects shareholders' requisition to convene EGM to revamp board

PRG Holdings Bhd has rejected a requisition notice from its second-largest shareholder Datuk Sheah Kok Fah and three other shareholders seeking an extraordinary general meeting (EGM) to revamp the board, after determining that their collective shareholding falls short of the 10% threshold required under the Companies Act. *(The Edge*)

GEOHAN: Bags RM40.9 m foundation job for mixed development in Persiaran KLCC

Geohan Corporation Bhd has secured a RM40.9m contract for the foundation and structural works of a mixed development in Persiaran KLCC here. The foundation and geotechnical engineering company said the contract was awarded to its wholly owned subsidiary Geohan Sdn Bhd by China State Construction Engineering (M) Sdn Bhd (CSCEM). *(The Edge*)

HKB: Bags RM41.4m construction contract in Sarawak

Cloud services provider AwanBiru Technology Bhd announced on Monday that it will provide Google cloud services to the government for another year following the extension of its Cloud Framework Agreement (CFA). In a Bursa Malaysia filing, the company said its subsidiary Awantec Systems Sdn Bhd, together with the Malaysian Administrative Modernisation and Management Planning Unit (Mampu) and Google Cloud Malaysia Sdn Bhd, has extended its contract for up to 12 months. *(The Edge*)

MGB: Bags RM44.7m mechanical works job for Saudi Arabia-based villa development project

Construction firm MGB Bhd said it has secured a contract for mechanical, electrical and plumbing (MEP), and finishing works for a villa development project in Saudi Arabia. In a filing with the stock exchange, MGB said the contract was awarded to its indirect wholly-owned subsidiary MGB International For Industry by the Roshn Group Company, a single shareholder closed joint-stock company. *(The Edge*)

STRATUS: More than doubles on Main Market listing day, adds over RM1.6bn to market cap

Stratus Global Holdings Bhd more than doubled in its maiden trade on the Main Market of Bursa Malaysia as investors rushed for a piece of the factory automation firm. The Penang-based company opened at RM1.96 on Tuesday versus its initial public offering (IPO) price of 80 sen per share. Stratus Global ended the day at a new high of RM2.11 — after more than 137m shares exchanged hands — with a market capitalisation of RM2.64bn. *(The Edge*)

FPHB: Gets SC approval for transfer to Main Market

Farm Price Holdings Bhd said it has obtained approval from the Securities Commission Malaysia (SC) for the Johor-based company's proposed transfer to the Main Market of Bursa Malaysia. "The SC also took note that Farm Price Holdings had complied with the Bumiputera equity requirement for public listed companies of Bursa Securities," the wholesaler and distributor of fresh vegetables, food and beverage products, and other groceries said in a bourse filing on Tuesday. (*The Edge*)

AJI: To table RM20-per-share privatisation proposal for shareholders' approval

The board of Ajinomoto (Malaysia) Bhd has decided to table a proposal by its controlling shareholder, Ajinomoto Co Inc, to privatise the company through a selective capital reduction and repayment (SCR) exercise, offering shareholders RM20 cash per share. In a bourse filing on Tuesday, Ajinomoto Malaysia said the board came to the decision after a review of the proposal and after considering advice from the independent adviser. *(The Edge*)

MI: Charts new high, market cap hits RM5bn after results

Mi Technovation Bhd surged on Tuesday to a new all-time high after the semiconductor equipment firm beat market expectations with its quarterly earnings. Analysts scrambled to raise their estimates after earnings for the first half of its financial year accounted for more than two-thirds of the consensus full-year forecasts while investors also cheered the strong growth of its semiconductor material unit en route for a separate listing in Singapore. *(The Edge*)

MAXIS: Apologises as authorities probe influencer's personal data leak

Malaysian authorities are investigating alleged personal data disclosure of entrepreneur Khairul Aming while Maxis Bhd is taking legal action against the leaker. Communications Minister Datuk Seri Fahmi Fadzil has directed the Malaysian Communications and Multimedia Commission (MCMC) to obtain a full report on claims that the data was accessed without authorisation from a telecommunications company's internal system, *Berita Harian* reported. *(The Edge*)

SUNSURIA: Hits 88% take-up for Talisa

Sunsuria Bhd's second residential phase of Bangsar Hill Park, Talisa, has achieved an 88% take-up rate, according to a press statement issued on Saturday (July 18). Targeted for completion in mid-2028, Talisa features residential units ranging from 917 to 1,478 sq ft, with layouts from two-bedroom to 3+1 bedrooms configurations. The development comprises eight units per floor and is served by six high-speed lifts. *(The Edge*)

METRO: Hunkers down to diversify into a multidisciplinary offering

LISTED on Bursa Malaysia's ACE Market in late 2024, Metro Healthcare Bhd is in a long-term growth phase. Its founder and executive vice-chairman Dr Tay Swi Peng @ Tee Swi Peng says returns from its diversification into the multidisciplinary Rimbayu Medical Centre in Bandar Rimbayu, Shah Alam, will only be realised five to seven years from now. The group plans to invest RM200m to build the 120-bed hospital, with part of the capital expenditure (capex) funded through equity. *(The Edge*)

POS: Remains focused on reducing losses through transformation plan, Parliament hears

Pos Malaysia Bhd, under DRB-HICOM Bhd, remains focused on reducing losses through its transformation plan, supported by network rationalisation, expansion of digital channels and prudent management of its cost base and revenue mix. The Ministry of Communications said Pos Malaysia improved its financial performance, reducing its net loss to RM19.5m for the first quarter of 2026 from RM41.5m in the same period last year. *(Bernama*)

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	4.68	0.42	9.06
CapitaLand Malaysia Trust	REIT	0.62	0.05	8.29
KIP REIT	REIT	0.84	0.07	8.10
Bermaz Auto	Consumer	1.02	0.08	8.04
YTL Hospital REIT	REIT	1.04	0.08	7.69
Paramount Corporation	Property	1.00	0.07	7.30
Al-Salam REIT	REIT	0.58	0.04	6.90
Sports Toto	Consumer	1.37	0.09	6.86
TIME dotCom	Telco	5.98	0.40	6.67
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	1.70	0.11	6.24

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
ESYS HOLDINGS BERHAD	Leap Market	0.11	-	-	-	24 July

Source: Bursa Malaysia

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