MERCURY SECURITIES SDN BHD
(A Participating Organisation of Bursa Malaysia Securities Bhd.)

MARKET WATCH
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Daily Newswatch

Market Review

The FBM KLCI rose 0.4% to 1,733.4 points on Tuesday as investors rotated towards commodity and plantation-related stocks, buoyed by a third consecutive session of gains in crude oil prices amid the escalating West Asia crisis. Industrial Products & Services (+0.8%), Plantation (+0.7%) and Financial Services (+0.3%) led sectoral gains, driven by Petronas Chemicals (+3.1%), SD Guthrie (+2.8%) and IOI Properties (+2.3%). Market breadth, however, was bearish, with 758 losers ahead of 431 gainers, while 587 counters closed unchanged.

Asian markets closed-mixed on Tuesday as surging global bond yields and persistent inflation concerns dragged down technology-heavy markets, while Greater China bucked the trend amid hopes of further government support measures, even as the escalating West Asia crisis and rising oil prices kept broader sentiment cautious. Japan's Nikkei 225 led regional losses, slumping 2.5% to 67,460.7, followed by South Korea's KOSPI, which fell 1.6% to 6,869.8, and Taiwan's TAIEX, which declined 1.2% to 45,308.7. In Greater China, both markets bucked the trend, with the Shanghai Composite edging up 0.2% to 3,990.3 and Hong Kong's Hang Seng Index gaining 0.1% to 25,471.2. In China, gains were led by Energy sector (+1.9%), Consumer Staples (+0.7%) and Financials (+0.5%) driven by Siglent Technologies (+20%), Hunan Kylinsec (+20%) and Earth-Panda Advanced (+15.8%), while South Korea saw Technology Services (-5.5%), Health Services (+5.3%) and Consumer Durables (-3.7%) led the losses, with Cosmax BTI (-16.4%), K Car Co (-15.1%) and ISU Chemical Co (-13.3%) among the worst performers.

European stocks closed firmly lower on Tuesday, tracking global equity weakness as longer-term bond yields extended their rise. The Euro STOXX 50 lost 0.7% to 6,468 and the STOXX Europe 600 fell 0.7% to 652, with sovereign yields across Europe's largest economies climbing sharply as soaring AI-driven debt issuance amplified concerns over stretched deficit spending and potential central bank rate hikes. Technology and AI infrastructure stocks bore the brunt, with ASML sinking 5.0%, Infineon losing more than 7.0%, Siemens Energy falling 5.5%, and Schneider Electric and Siemens declining 4.5% and 2.3% respectively.

Wall Street closed lower on Tuesday as a chipmaker selloff and elevated bond yields weighed on sentiment. The S&P 500 fell 0.7%, the Nasdaq CI lost 1.3% and the Dow shed 116 points, with long-term yields remaining near multi-year highs amid inflation risks and surging AI-driven bond issuance. Energy prices also rose further after the US signalled a prolonged blockade of Iranian tanker exports. Chipmakers bore the brunt, with Nvidia (-2.3%), Broadcom (-3.2%), Micron (-7.0%), AMD (-4.3%), Intel (-6.6%) and Sandisk (-9.0%) all declining. Meta (-4.4%), Tesla (-0.7%), Oracle (-2.7%), Goldman Sachs (-1.0%) and Citigroup (-0.6%) also closed lower.

Macro Snapshots

- **US:** Pending home sales slide to weakest since start of the year
- **US:** 10-year yields climb to highest since 2025 as rout deepens
- **CN:** Bids farewell to economic reformer Zhu Rongji, grapples with his legacy
- **MY:** Digital economy on track to account for 30% of GDP by 2030

Corporate Snapshots

- **ITMAX:** Lands RM187m Socso job to develop AI-powered employment portal
- **WESTRVR:** Wins two small hydropower projects in Perak
- **DESTINI:** Shareholders withdraw requisition after four directors resign
- **KOSSAN:** To acquire two cleanroom businesses for RM48.4m

Indices	Last Close	Daily chg %	YTD chg %
FBM KLCI	1,733.4	0.4	3.2
Dow Jones	53,343.4	(0.2)	11.0
Nasdaq CI	26,289.7	(1.3)	13.1
S&P 500	7,691.8	(0.7)	12.4
SX5E	6,468.2	(1.0)	11.7
FTSE 100	10,728.0	0.1	8.0
Nikkei 225	67,460.7	(2.5)	34.0
Shanghai CI	3,990.3	0.2	0.5
HSI	25,471.2	0.1	(0.6)
STI	5,701.4	(1.2)	22.7

Market Activities	Last Close	% Chg
Vol traded (m shares)	3,745.7	8.5
Value traded (RM m)	2,910.4	5.9
Gainers	431	
Losers	758	
Unchanged	587	

Top 5 Volume	Last Close	Daily chg %	Vol (m)
ZETRIX	0.635	(8.1)	241.5
JAK	0.130	(3.7)	133.5
KEYA	0.085	13.3	83.5
DATA	0.090	0.0	80.9
TANC	0.245	0.0	35.0

Top 5 Turnover	Last Close	Daily chg %	Val (RM m)
MAY	10.620	0.4	180.1
ZETRIX	0.635	(8.1)	158.7
YTLP	4.900	(1.6)	102.2
PBK	5.110	0.2	96.0
SKYECHIP	3.240	(0.3)	82.3

Currencies	Last Close	Daily chg %
USD/MYR	4.060	0.0
USD/JPY	159.560	0.0
EUR/USD	1.158	(0.0)
USD/CNY	6.744	(0.1)
US Dollar Index	99.657	0.0

Commodities	Last Close	% Chg
Brent (USD/barrel)	91.0	0.2
Gold (USD/troy oz)	4,333.6	(0.0)
CPO (MYR/metric t)	4,614.0	(0.0)
Bitcoin (USD/BTC)	64,748.4	0.3

Source: Bloomberg

Macro News

US: Pending home sales slide to weakest since start of the year

Pending sales of previously owned US homes dropped in July to the weakest since the start of the year, illustrating a housing market plagued by elevated mortgage rates and prices. An index of contract signings decreased 2.3% to 71.2, the lowest since January and matching the second-worst reading in data back to 2001, according to National Association of Realtors data released Tuesday. The median estimate of economists surveyed by *Bloomberg* projected no change in July pending sales. “The highest mortgage rates of the year hit right in the middle of summer, and that’s pulling back contract signings,” NAR chief economist Lawrence Yun said in a statement. “Home prices are at record highs so houses for sale are sitting on the market longer, and fewer buyers are bidding above the asking price than a year ago, though there are large local market variations.” *(Bloomberg*)

US: Industrial production climbs for second straight month

US industrial production rose for a second month in July, driven by increases in manufacturing and utility output. The 0.2% advance in production at factories, mines and utilities followed an upwardly revised 0.3% rise a month earlier, Federal Reserve data showed Tuesday. Factory output, which accounts for three-fourths of total industrial production, advanced 0.2% following an upwardly revised 0.3% gain a month earlier and despite a drop in auto manufacturing. Output at utilities increased in July by the most in three months, while mining also rose. The report adds to signs of momentum in manufacturing, with resilient consumer demand and solid business investment — especially that related to the artificial-intelligence buildout. *(Bloomberg*)

US: 10-year yields climb to highest since 2025 as rout deepens

A deepening global bond selloff sent the US benchmark yield to the highest since early 2025 as thin August trading met investors wary of inflation and a deluge of corporate debt supply. US Treasuries slid further on Tuesday, pushing yields higher by one to two basis points across maturities. The 10-year yield crept up around two basis points to 4.75%, the highest in 19 months. The moves were echoed across sovereign debt markets from Europe to Japan, fuelled by an uncertain outlook for inflation and changing bond-buyer demographics. Earlier on the day, Germany sold 30-year debt via banks paying the highest yield in 15 years. “The selloff in Treasuries has become a macro event unto itself,” Ian Lyngen, head of US rates strategy at BMO Capital Markets, wrote in a note to clients. *(Bloomberg*)

US: Canada trade talks are bogged down by auto sector tariffs

With less than 36 hours to go before new US tariffs on Canada are set to kick in, automotive sector rules are proving to be a major obstacle in negotiations, according to people familiar with the matter. Canada has pushed to reduce the tariff rate on autos to 10% or expand an exemption that currently applies to US parts in vehicles, according to people with knowledge of the discussions who spoke on condition of anonymity. But the Trump administration has held firm to a minimum 15% rate, the people said. President Donald Trump put a 25% tariff on foreign cars and trucks last year, but offered Canada and Mexico a partial break based on US parts in the supply chain. A vehicle assembled in Ontario with half US content would have an effective tariff rate of 12.5%, for example. *(Bloomberg*)

UK: Payrolls fall, vacancies at five-year low in weak job market

UK employers shed more workers in July and job vacancies hit a fresh five-year low as demand for staff remained tepid in the face of heightened uncertainty from events at home and abroad. The number of employees on company payrolls dropped 13,000 in July after a similar fall the previous month, data from the Office for National Statistics showed on Tuesday. Economists surveyed by *Bloomberg* had expected no change. Job vacancies dropped further to 707,000 in the May to July period, the lowest since 2021. Private sector wage growth, excluding bonuses, the gauge watched closely by the Bank of England for signs of inflationary pressures, eased to 2.8% in the second quarter, the lowest in almost six years. *(Bloomberg*)

UK: European banks provide £300m backing to Scottish data centres

DataVita secured £300m (RM1.6bn) of financing from ING, ABN AMRO and other European banks as it bids to expand an existing data centre in Scotland and build another. The UK’s National Wealth Fund helped unlock the funding by guaranteeing 80% of the £252m tranche provided by the two Dutch banks and Spain’s Santander, the Business Department said on Tuesday in a statement. The UK Treasury-owned fund operates at arm's length from the government. The remainder of the package is being provided on an uncovered basis by the Scottish National Investment Bank and Siemens Financial Services. The department also said computing giant Dell would be moving its Scottish headquarters to the site. *(Bloomberg*)

CN: Xi’s No. 2 urges more support for economy after big growth slump

China’s economy showed across-the-board weakness in July and growth likely slipped further below the government’s annual target, sparking a call from Premier Li Qiang on officials to ramp up supportive measures. “We must anchor efforts to development goals, give full play to the effectiveness of existing policies, and promptly formulate practical and effective incremental policies,” Li said at a Monday meeting of China’s cabinet, as he urged officials to “strive to achieve” the annual economic and social development targets. The speech was released by the official *Xinhua News Agency* after government data published earlier in the day showed China’s industrial output, consumption and investment all softened more than expected in July. (*Bloomberg*)

MY: Digital economy on track to account for 30% of GDP by 2030

The digital economy is on the right track to account for 30% of the nation's gross domestic product (GDP) by 2030, said Digital Minister Gobind Singh Deo. He said policies that have been launched, including the National Artificial Intelligence (AI) Action Plan 2026-2030 and Malaysia Digital 2030, are among the main drivers in ensuring that the target is achieved. "As of last year, the digital economy's contribution to the GDP stood at 25.5%. "The Digital Ministry, through the MyDigital Corporation, has been tasked to ensure that all (the policies) achieve their set targets," he said to reporters after launching the Boost SME platform here on Tuesday. (*Bernama*)

MY: Eyes US$10bn bilateral trade with Philippines, says foreign minister

Malaysia welcomes the positive momentum in its economic relations with the Philippines and hopes that bilateral trade can reach US$10bn within the next two years, said Foreign Minister Datuk Seri Mohamad Hasan. Currently, Malaysia and the Philippines enjoy strong bilateral trade, which reached US$8.2bn in 2025. "There is significant potential for both countries to further strengthen their economic ties, particularly by deepening cooperation in the digital economy. "We also discussed emerging areas such as energy transition," he said at a press conference after co-chairing the Ninth Philippines-Malaysia Joint Commission Meeting (JCM) with Philippine Foreign Secretary Ma. Theresa P Lazaro at the Department of Foreign Affairs here on Tuesday. (*Bernama*)

MY: Govt studying ways to improve sales and service tax, including combining GST elements — Anwar

Malaysia is studying improvements to the existing sales and service tax, including whether it can incorporate elements of the goods and services tax. The initiative is premised on the government's aim to develop a taxation system that is more "progressive and efficient", Prime Minister Datuk Seri Anwar Ibrahim said in his closing speech at the Budget 2027 engagement session on Tuesday. Some adjustments to the current tax regime are necessary, he said, conceding that the goods and services tax, or GST, "which I have said in the 90s, is the most transparent and efficient system". (*The Edge*)

MY: Ten focus areas in upcoming Budget 2027 — MOF

The government has laid out 10 focus areas for upcoming Budget 2027, aiming at balancing measures to protect households from cost-of-living pressures, to raise Malaysia's growth potential, strengthen resilience and improve public-sector delivery. As the second budget under the 13th Malaysia Plan (13MP), Budget 2027 will be guided by the three priorities of raising the ceiling for national growth and the floor for living standards, while driving governance reform, according to the Ministry of Finance's (MOF) Pre-Budget Statement 2027. (*The Edge*)

MY: PM: Budget 2027 must meet people's aspirations, drive national development

Budget 2027 must heed the voice of the people and meet their aspirations by driving the country's development and improving the people's well-being, said Prime Minister Datuk Seri Anwar Ibrahim. He said Malaysia was not spared the effects of the energy crisis and cost-of-living pressures arising from the conflict in West Asia. "The Madani government will prioritise the people's aspirations and address their concerns to safeguard the well-being of families. "Therefore, the Madani government expresses its appreciation to everyone who contributed their views in the 2027 Budget Engagement Session. (*Bernama*)

MY: Budget 2027 to focus on economic competitiveness, public service, says Amir Hamzah

Budget 2027 will focus on strengthening Malaysia's economic competitiveness and improving the quality of public services, said Finance Minister II Datuk Seri Amir Hamzah Azizan. The government will continue to encourage investments, increase productivity and accelerate development of strategic sectors generating added value, high-income employment and sustainable economic growth, he said in a keynote speech at the Budget 2027 engagement session on Tuesday. "Focus will continue to be given to sectors such as semiconductors, energy transition, the digital economy, artificial intelligence and Islamic finance," Amir Hamzah said. (*The Edge*)

Corporate News

AMBANK: 1Q earnings rise marginally on net interest income growth

AMMB Holdings Bhd's net profit came in higher at RM520.2m in the first quarter ended June 30, 2026 (1QFY2027), up marginally from RM516.2m a year ago. The banking group attributes the slightly higher earnings to net interest income growth. Earnings per share was up slightly to 15.73 sen compared with 15.64 sen a year ago, according to a bourse filing on Tuesday. AMMB, the country's sixth largest banking group by assets, did not declare any dividends during the quarter under review. Revenue, or net income, edged up 2.8% to RM1.3bn from a year ago as net interest income grew 4.3% year-on-year to RM644.3bn. *(The Edge*)

DPHARMA: 2Q profit jumps 48% as margin expands

Duopharma Biotech Bhd reported 48% earnings jump in the second quarter thanks to higher-margin products and stronger ringgit that lowered input costs. Net profit for the three months ended June 30, 2026 (2QFY2026) was RM29.9m compared to RM20.2m in the same quarter in 2025, according to the pharmaceutical firm's exchange filing. Gross margin widened five percentage-points to 42%, while revenue rose 5.7% to RM234.4m. "Duopharma Biotech's resilient financial performance comes from a healthy order book, diversified revenue streams and strong participation in the public and private healthcare sector," said chief executive officer Wan Amir-Jeffery Wan Abdul Majid. *(The Edge*)

DESTINI: Shareholders withdraw requisition after four directors resign

Four shareholders have withdrawn their requisitions to remove four directors of Destini Bhd at an extraordinary general meeting on Friday (Aug 21). The withdrawal came after the four board members whom the shareholders sought to remove resigned. They are former executive chairman Datuk Abd Aziz Sheikh Fadzir, who is also the single largest shareholder, executive director Ismail Mustaffa, and non-executive directors Datuk Bahudin Mansor and Norashikin Mat Yusof. In a bourse filing on Tuesday, the engineering and defence services provider said it received a letter from the requisitionists — LINC Shared Services Sdn Bhd, Veritas Aman Sdn Bhd, WP Travel Sdn Bhd and Azulite Bloom Sdn Bhd — on Aug 17, withdrawing the requisition notice. The four shareholders collectively hold a 10.15% stake in Destini. *(The Edge*)

WESTRVR: Wins two small hydropower projects in Perak

West River Bhd has won approval for two small hydropower projects in Perak under the feed-in-tariff programme. The projects within the forest reserves of Bukit Kinta and Bukit Tapah are expected to begin in August 2031, according to an exchange filing. Details on the project, such as capacity and costs, were not disclosed by the company that mainly provides mechanical and electrical engineering services. Neutron Power Sdn Bhd, its indirect wholly-owned subsidiary, was successful with its applications for two projects with combined capacity of 11.75 megawatts, according to a notice on the Sustainable Energy Development Authority's website. *(The Edge*)

DLADY: 2Q net profit surges 63% to RM38.2m, highest in five years

Dutch Lady Milk Industries Bhd's second-quarter net profit surged 63.2% year-on-year, driven by stronger revenue, favourable exchange rate effects and the absence of one-off transition costs incurred a year earlier. Net profit for the three months ended June 30, 2026 (2QFY2026) came in at RM38.2m — its highest quarterly profit in five years — compared with RM23.4m in 2QFY2025, the dairy producer's latest results filing on Tuesday showed. Revenue edged up nearly 3% to RM386.6m from RM375.6m, driven by strong sales of its core liquid milk range. For the six months ended June 30, 2026 (6MFY2026), net profit rose 40.7% to RM68.1m from RM48.4m, as revenue increased 4.7% to RM784.4m from RM749m. *(The Edge*)

JPG: Posts 32% fall in 2Q net profit despite higher revenue

Johor Plantations Group Bhd's net profit fell 32% year-on-year to RM51.2m for the second quarter ended June 30, 2026 (2QFY2026), weighed down by higher production costs even as revenue rose. The group posted net profit of RM75.2m in the same quarter a year earlier (2QFY2025). Earnings per share fell to 2.05 sen this quarter from 3.01 sen in 2QFY2025, according to its bourse filing on Tuesday. Quarterly revenue rose 4.4% to RM415.8m, from RM398.3m in 2QFY2025, mainly driven by higher crude palm oil (CPO) sales. The group said the profit decline was mainly due to higher cost of sales, particularly from increased upkeep and field maintenance, manuring, fresh fruit bunch (FFB) purchases, harvesting and transportation, repair and maintenance, and other operating costs. *(The Edge*)

KPJ: 2Q profit jumps 27% on higher patient visits, surgeries

KPJ Healthcare Bhd reported a 27% increase in second-quarter net profit, driven by higher patient visits, more surgeries and improved case mix. Net profit for the three months ended June 30, 2026 (2QFY2026) rose to RM103.9m from RM82.0m a year earlier, according to the private hospital operator's Bursa Malaysia filing on Tuesday. Quarterly revenue increased 17% to RM1.2bn from RM1.0bn. The group declared an interim dividend of 1.10 sen per share, amounting to RM48.7m, payable on Oct 9. This raises the year-to-date dividend to 2.35 sen per share compared with 1.95 sen previously. KPJ had deposits and bank and cash balances of RM1.2bn as at June 30, against total borrowings of RM1.6bn. *(The Edge*)

WCEHB: 1Q toll collection up 11% to RM46.7m, operational Ebitda remains positive

Highway concessionaire WCE Holdings Bhd saw double-digit growth in toll revenue for the first quarter of its financial year 2027, keeping operational earnings before interest, taxes, depreciation and amortisation (Ebitda) positive, even as financing costs kept its bottom line in the red. The group posted a net loss of RM24.5m for the first quarter ended June 30, 2026 (1QFY2027), little changed from the RM25.3m recorded in the corresponding quarter a year ago, its bourse filing showed. The group's core toll collection revenue rose 11.2% to RM46.7m from RM42.0m, though total revenue for the quarter saw a sharp 64.2% drop to RM140.8m from RM393.9m due to lower construction activities, as six out of 10 rest and service areas along its West Coast Expressway have been completed. *(The Edge)*

DRBHCOM: Tax swing weighs on DRB-Hicom's 2Q net profit, revenue up 33%

DRB-Hicom Bhd saw its second-quarter net profit drop by nearly half even as revenue increased, no thanks to a higher tax bill and higher operating cost. Net profit for the three months ended June 30, 2026 (2QFY2026) fell 47.4% to RM30.6m from RM58.1m a year earlier, according to the diversified group's filing with Bursa Malaysia on Tuesday. The group booked a tax expense of RM26.6m compared with a RM4.5m tax credit in the same quarter last year. DRB-Hicom said the tax charge arose mainly from profit-making subsidiaries and expenses that were not deductible for income tax purposes. Finance costs also rose 8.9% to RM137.3m from RM126.1m, while other expenses increased to RM34m from RM19.6m, the group noted. *(The Edge)*

ITMAX: Lands RM187m Socso job to develop AI-powered employment portal

ITMAX System Bhd has secured a RM186.8m contract from the Social Security Organisation (Socso) to develop and operate an artificial intelligence (AI)-powered employment portal. ITMAX managing director and chief executive officer William Tan Wei Lun said the five-year contract represents an extension of the group's existing AI and digital platform capabilities. "The scope goes well beyond the development of a conventional portal, encompassing system and data integration, AI-based matching, cloud services and cybersecurity, as well as the ongoing operation and maintenance of the platform," Tan said in a statement on Tuesday. Socso is a statutory body under the Ministry of Human Resources that administers social security protection for employees and their dependents. *(The Edge)*

KOSSAN: To acquire two cleanroom businesses for RM48.4m

Kossan Rubber Industries Bhd, which is involved in the manufacturing and distribution of gloves and cleanroom products, has proposed to acquire two cleanroom product businesses for RM48.4m. In a bourse filing on Tuesday, Kossan said it had entered into separate agreements to acquire a 100% stake in Singapore-based Inout Enterprise Pte Ltd (IOS) and a 51% stake in Inout Enterprise (Thailand) Ltd (IOT). Kossan will acquire IOS from five vendors — Ang Hwee Tong Matthew, Siha, Intira Lertzangar, Yong Khai Yee (Yang Kaiyi) and Heng Lee Huat — for S$15.2m (RM48.4m). As for IOT, Kossan will purchase the 51% stake from La-ongsri Loetsanga for 130,000 baht (RM16,037). *(The Edge)*

LCTITAN: Korean parent to dispose of Malaysia-listed Lotte Chemical Titan — report

Lotte Chemical Corp is planning to sell Lotte Chemical Titan Holding Bhd as well as a stake in its Indonesian unit, *Korea Economic Daily* reported. Citing unidentified Korean government officials, the newspaper said the Malaysia-listed unit is the primary sale target. Also in the works is the partial divestment of its Indonesian project, and it is in talks with sovereign wealth fund Danantara, *Korea Economic Daily* said. Lotte Chemical Corp is reviewing market conditions and searching for potential buyers, the newspaper said. The South Korean petrochemical company owns about 75% of the loss-making Malaysian subsidiary that manufactures polyethylene and polypropylene used in the production of plastic consumer products. *(The Edge)*

HUMEIND: 4Q profit rises 14% on cost efficiencies

Hume Cement Industries Bhd reported a 14.4% rise in its fourth-quarter net profit, on the back of lower input and production costs following ongoing efficiency improvement initiatives. Net profit for the quarter ended June 30, 2026 (4QFY2026), rose to RM61.3m from RM53.6m a year earlier, the building materials company, in which the Hong Leong Group holds 72%, said in a bourse filing on Tuesday. Revenue slipped 1.6% to RM259.1m from RM263.4m, due to lower concrete sales following the cessation of its concrete segment in Peninsular Malaysia. In late March, Hume Cement completed the disposal of its entire equity interest in Hume Concrete Sdn Bhd to YTL Cement (Sarawak) Sdn Bhd for RM215.5m, which recognised a pre-tax gain of RM191.2m for the year. *(The Edge)*

MFCB: 2Q net profit fell nearly 30% on wider JV losses, weaker hydro earnings

Mega First Corp Bhd saw its second-quarter net profit fall nearly 30% year-on-year, dragged down by wider losses from its joint venture and softer contributions from its renewable energy and resources divisions. The group made a net profit of RM59.4m for the quarter ended June 30, 2026 (2QFY2026), down from RM84.8m in 2QFY2025, its bourse filing showed. Revenue slipped 3.3% to RM328.7m from RM339.9m as it recorded lower top-line figures across renewable energy, resources and investment holding, which were partially offset by a 14.7% revenue expansion in the packaging division. The group's share of losses from joint ventures and associates more than doubled to RM34.8m from RM16.4m previously. *(The Edge)*

MSC: Perak tin mine suspends operations after heavy rain damage

Malaysia Smelting Corporation Bhd said its 80%-owned subsidiary Rahman Hydraulic Tin Sdn Bhd (RHT) has temporarily suspended mining operations following damage to drainage facilities caused by extreme rainfall earlier this month. The suspension took effect on Aug 12 and will remain in place until further notice from the Perak Department of Minerals and Geosciences (JMG Perak), which issued the directive following a site inspection after the heavy rainfall on Aug 3. “Approximately 60mm of rainfall was recorded within one hour. The extreme rainfall exceeded the maximum design intensity of 50mm for RHT’s existing drainage and retention pond infrastructure, resulting in damage to certain drainage facilities and the retention ponds being overwhelmed,” MSC said in a bourse filing on Tuesday. *(The Edge*)

PUNCAK: To sell two plots of land for RM237m to pare debt, buyer plans mixed development

Puncak Niaga Holdings Bhd is proposing to sell two plots of land in Bandar Puncak Alam for RM237.2m and proceeds will go towards repaying bank loans. Under the agreements signed with Alpha Galaxy Sdn Bhd, Puncak Niaga will dispose the 229,717-square-metre Lot 7095 and the adjoining Lot 7094, measuring 229,290 square metres, according to an exchange filing. Both lots are largely planted with oil palm trees. If the deal goes through, Alpha Galaxy will develop mixed properties on the land, Puncak Niaga said. The disposal will allow it to unlock the value of the assets, which have been held as investment properties since 2015, and generate about RM216.2m in net proceeds after deducting estimated disposal costs of RM2m and real property gains tax of RM18.9m. *(The Edge*)

NEW IPO: Butterfield FB launches ACE Market IPO at 48 sen a piece, raising RM72m

Butterfield FB Bhd has launched its ACE Market listing that will raise RM72 million to expand its production facilities and fund working capital. The initial public offering (IPO) is priced at 48 sen per share and involves the issuance of 150m new shares. There is also an offer for sale of 72m existing shares by two of its shareholders, which will raise RM34.6m for the sellers. Applications close on Sept 2 and it's scheduled to list on Sept 15. The Penang-based company mainly manufactures coffee and tea extract powder blends under its “Butterfield” house brand, which are used in products ranging from instant and ready-to-drink beverages to confectionery and baked goods. *(The Edge*)

NEW IPO: Sarawakian family-run contractor OGC Group files for ACE Market IPO

OGC Group Bhd has filed for an ACE Market listing as the construction firm seeks fresh capital for expansion and operations. The proposed listing comes about six years after husband-and-wife team Ling Kin Huo and Ling Ee established the business, according to its draft prospectus filed with Bursa Malaysia. Part of the initial public offering (IPO) proceeds has been earmarked for the purchase of machinery and vehicles. On its shopping list are a wheel loader, a batching plant, four dump trucks, four excavators and six mixer trucks. OGC currently owns 14 excavators and seven trucks. "These purchases will also allow us to have better control over the availability and utilisation of our fleet, thereby minimising potential downtime and reducing our reliance on third-party machinery rentals," the company said. *(The Edge*)

Upcoming key economic data releases	Date
FOMC Meeting Minutes	Aug 20
Philadelphia Fed Manufacturing Index (Aug)	Aug 20
Initial Jobless Claims	Aug 20
S&P Global Manufacturing PMI (Aug)	Aug 21
S&P Global Services PMI (Aug)	Aug 21
Source: Investing.com	

Stock Selection Based on Dividend Yield

	Sector	Price (RM)	Dividend/Share (RM)	Dividend Yield (%)
Sentral REIT	REIT	0.73	0.06	8.83
MBM Resources	Consumer	4.92	0.43	8.74
YTL Hospital REIT	REIT	1.01	0.09	8.71
CapitaLand Malaysia Trust	REIT	0.60	0.05	8.67
Bermaz Auto	Consumer	0.96	0.08	8.59
KIP REIT	REIT	0.86	0.07	8.54
Taliworks Corporation	Utilities	0.27	0.02	7.55
Sports Toto	Consumer	1.35	0.10	7.48
Paramount Corporation	Property	1.01	0.07	7.23
Al-Salam REIT	REIT	0.59	0.04	6.84
TIME dotCom	Telco	5.99	0.40	6.66
Ta Ann Holdings	Plantation	5.98	0.39	6.45
MAG Holdings	Consumer	1.25	0.08	6.40
Magnum	Consumer	1.25	0.08	6.40
UOA Development	Property	1.66	0.11	6.39

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		
United Asiapac Energy Berhad	ACE Market	0.35	139.22	-	5 Aug	14 Sept
Butterfield FB Berhad	ACE Market	0.48	150.00	72.00	2 Sept	15 Sept
Pioneer Heat Holdings Berhad	ACE Market	0.25	86.70	17.35	3 Sept	17 Sept

Source: Bursa Malaysia

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