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

MARKET WATCH
Tuesday, August 4, 2026
Research Team
research@mersec.com.my

Daily Newswatch

Market Review

The FBM KLCI closed flat on Monday, a modest gain at Monday's close after late buying interest lifted the benchmark index despite a broadly weaker market, retreated thereafter as investors traded cautiously amid intermittent profit-taking. Consumer Products & Services (+0.6%), Transporation & Logistics (+0.3%), both Plantation and Property (+0.2%), led sectoral slight gains, driven by AMMB (+4.0%), Mr DIY (+2.5%) and Nestle (+1.6%), while losers outnumbered gainers 485 to 591 with 596 counters closed unchanged.

Asian markets closed mostly mixed on Monday, as oil prices retreated after U.S. President Donald Trump said he had called off a planned mitary strike on Iran, easing immediate concerns over supply disruptions in the Middle East. TAEIX (+0.6% to 43,386.4) led gain, followed by Hang Seng (+0.5% to 26,009.4), Shanghai Composite (-0.6% to 3,809.7), Nikkei 225 (-1.0% to 63,754.9) and KOSPI (-5.1% to 6,257.5). TAEIX gains on Technology (+5.7%), Health Technology (+4.6%) and Producer Manufacturing (+4.1%) while Shanghai Composite gains were led by Communications (1.8%), both Utilities and Consumer Services (+1.1%) and Industrials Services (+0.9%).

European stocks closed higher on Monday as lower energy prices pushed borrowing costs lower. The Euro STOXX 50 (+1.1% to 6,426.5) , while the STOXX Europe 600 (+0.5% to 652.1). Lower oil and gas prices supported banks, with UniCredit, Santander, BBVA, and BNP Paribas gaining over 2%. Intesa Sanpaolo (+2.4%) advanced after merger talks between Banca MPS and Banco BPM collapsed. Software stocks also strengthened, led by SAP (+4.4%), while Deutsche Telekom (+5.0%) gained ahead of earnings.

Wall Street closed higher on Monday as lower Treasury yields and easing Middle East tensions lifted sentiment. The S&P 500 (+1.5% to 7,600.5), the Dow Jones (+1.3% to 53,178.4), and the Nasdaq CI (+2.1% to 25,913.9). AI and megacap technology stocks rallied, with Amazon (+4.6%), Alphabet (+4.9%), Microsoft (+4.9%), and Meta (+6.0%) higher. Chipmakers also gained, led by Nvidia (+2.9%), AMD (+1.8%), and Sandisk (+6.0%). Investors now await earnings from SpaceX (+5.7%) and AMD on Tuesday.

Macro Snapshots

- **US:** Factory activity expands at strongest pace since 2022
- **EU:** Factory output near 4½-year high in July but demand still weak, PMI shows
- **CN:** Factory growth slows to four-month low in July, survey shows
- **MY:** Factory conditions modestly better in July as orders rise

Corporate Snapshots

- **MAYBANK:** Buys remaining stake in Etiqa's holding company from Ageas for RM4.83bn
- **SUNCON:** Bags data centre engineering contract worth over RM1bn
- **PESTEC:** Auditor flags war troubles on RM50m contract assets
- **NESTCON:** Secures RM74.5m affordable housing job from Exsim

Key Indices	Last Close	Daily chg %	YTD chg %
FBM KLCI	1,725.7	0.0	2.7
Dow Jones	53,178.4	1.3	10.6
Nasdaq CI	25,913.9	2.1	11.5
S&P 500	7,600.5	1.5	11.0
SX5E	6,426.5	1.1	11.0
FTSE 100	10,857.7	(0.1)	9.3
Nikkei 225	63,754.9	(0.9)	26.6
Shanghai CI	3,809.7	(0.6)	(4.0)
HSI	26,009.4	0.5	1.5
STI	5,612.3	(0.3)	20.8

Market Activities	Last Close	% Chg
Vol traded (m shares)	2,732.1	(11.9)
Value traded (RM m)	2,338.8	(34.5)
Gainers	485	
Losers	591	
Unchanged	596	

Top 5 Volume	Last Close	Daily chg %	Vol (m)
HUBL	0.030	(14.3)	140.3
TANC	0.270	3.8	56.8
ZETRIX	0.725	(2.7)	40.4
VSI	0.230	0.0	39.0
HHR	0.115	(11.5)	34.3

Top 5 Turnover	Last Close	Daily chg %	Val (RM m)
MAY	10.840	(0.6)	155.3
PBK	5.200	0.6	125.6
IHH	8.300	(0.6)	110.9
CIMB	8.010	1.5	99.9
AMMB	N/A	N/A	N/A

Currencies	Last Close	Daily chg %
USD/MYR	4.096	(0.2)
USD/JPY	157.200	0.0
EUR/USD	1.151	0.0
USD/CNY	6.755	0.0
US Dollar Index	99.957	0.0

Commodities	Last Close	% Chg
Brent (USD/barrel)	83.6	(5.0)
Gold (USD/troy oz)	4,054.3	0.0
CPO (MYR/metric t)	4,519.0	0.7
Bitcoin (USD/BTC)	63,714.5	0.0

Source: Bloomberg

Macro News

US: Factory activity expands at strongest pace since 2022

US manufacturing activity expanded in July at the fastest pace in more than four years as demand remained strong, production surged and firms added workers. The Institute for Supply Management's (ISM) July manufacturing gauge rose to 55.6, the highest since May 2022, according to data out on Monday. Readings above 50 indicate growth, and the sector has now been above that mark for seven consecutive months. *(Bloomberg)*

US: Treasury yield note fell to 4.68%

The yield on the US 10-year Treasury note fell to 4.68% on Monday, supported by lower oil prices and easing inflation concerns as hopes grew that tensions in the Middle East could ease. US President Trump said negotiations with Iran would begin on Monday afternoon and canceled a planned attack on the country. Investors are also awaiting a fresh batch of US economic data this week, including the closely watched employment report, for further clues on the strength of the labor market. Last week, the Fed left interest rates unchanged, although three policymakers dissented. Markets are now pricing in a roughly 63% probabnity of a 25bps rate hike in September, down from around 80% before the policy decision, as Chair Kevin Warsh provided little forward guidance on the outlook for interest rates. *(Trading Economics)*

EU: Factory output near 4½-year high in July but demand still weak, PMI shows

Eurozone factory output surged at its fastest pace in nearly four-and-a-half years in July but growth was largely driven by firms clearing order backlogs rather than rising demand, pointing to a fragile recovery, a survey showed. Conflict in the Middle East has disrupted supply chains and sent energy costs soaring, causing difficulties for manufacturers. Inflation in the common currency bloc rose to 2.9% in July from 2.8% a month earlier. (*Reuters*)

CN: Factory growth slows to four-month low in July, survey shows

China's manufacturing sector expanded at its slowest pace in four months in July, as output and new orders rose more slowly, while export orders returned to growth after a contraction, a private-sector survey showed on Monday. The RatingDog China General Manufacturing Purchasing Managers' Index (PMI), compiled by S&P Global, fell to 50.9 in July from 51.7 in June, missing analysts' forecast of 51.5. The 50-mark separates growth from contraction. An official survey released on Friday showed China's factory activity unexpectedly slipped into contraction in July, reinforcing concerns over slowing growth, weak domestic demand and elevated production costs. (*Reuters)*

CN: Govt bond futures kick off trading in Hong Kong

Chinese government bond futures began trading in Hong Kong on Monday, marking authorities' third attempt to use the hedging tool to further open up the country's debt market. The September futures on five-year Chinese sovereign notes opened at 106.685 yuan per contract, before rising to an intraday high of 107.730 yuan. Each contract's size is 500,000 yuan (US$74,058 or RM302,682.45), settled in cash rather than via physical delivery of bonds. The corresponding onshore futures opened at 106.545 yuan. (*Reuters*)

CN: Central bank pledges timely policy tool adjustment

China's central bank pledged to adjust monetary policy tools in a timely manner and facilitate panda bond issuance, a statement showed on Sunday. The People's Bank of China (PBOC) will continue to implement an appropriately loose monetary policy and maintain ample liquidity, according to the readout of a work meeting on Saturday to map out the second half of the year. The PBOC statement pledged to "steadily promote the high-level opening of the financial market... advance domestic and international infrastructure cooperation, and enrich liquidity management and risk hedging tools." (*Reuters*)

MY: Factory conditions modestly better in July as orders rise

Malaysia's manufacturing conditions were modestly better in July as orders rose though optimism remained subdued amid the Iran war. The seasonally adjusted manufacturing purchasing managers index (PMI) was 50.7 in July and unchanged from June, according to S&P Global, which compiles the gauge. A reading above 50 points indicates activity expansion, while a reading below 50 signals contraction in the sector. "Encouragingly, price pressures also eased, with both input costs and selling charges rising at their slowest rates for five months," said Maryam Baluch, an economist at S&P Global. (*The Edge*)

MY: Mulls easing rare-earth export curbs to meet global demand

Malaysia is considering allowing some exports of unprocessed rare earths in order to bolster its position in a supply chain feeding industries from carmaking to defense and consumer goods. The Southeast Asian nation put a moratorium on exports of raw rare earths in 2024 to stimulate more investment in domestic processing — a famiar strategy for resource-rich developing nations. But authorities are now assessing the feasibnity of easing the curbs as competition for the minerals heats up, according to a senior government official. (*Bloomberg*)

Corporate News

MAYBANK: Buys remaining stake in Etiqa's holding company from Ageas for RM4.83bn

Malayan Banking Bhd is acquiring the remaining 30.95% stake in Etiqa's holding company, Maybank Ageas Holdings Bhd, from Belgian insurer Ageas SA for RM4.83bn, giving Malaysia's largest lender full ownership of its insurance and takaful business. In a statement on Monday, Maybank said it had signed an implementation agreement with Ageas Insurance International NV to acquire the remaining stake in its 69.05%-owned subsidiary, Maybank Ageas. (*The Edge*)

SUNCON: Bags data centre engineering contract worth over RM1bn

Sunway Construction Group Bhd has secured an engineering contract worth RM1.02bn for a data centre project in Johor. Works involve mechanical, electrical and plumbing fit-out with the letter of award also serving as the notice-to-proceed, according to an exchange filing. The job is expected to be completed by the fourth quarter of 2027, Sunway Construction said. The client was only identified as a US-headquartered multinational technology company and the exact location of the data centre were not disclosed. (*The Edge*)

PMETAL: To acquire Koon famy's stake in PMB Tech for RM465m or 70 sen per share

Press Metal Aluminium Holdings Bhd said it is buying its controlling shareholders', the Koon famy, 35.6% stake in listed associate PMB Technology Bhd for RM464.95m in cash. The deal will raise Press Metal's stake in PMB Tech from 23.2% to 58.8%, crossing the mandatory takeover offer (MO) threshold. However, no MO will be required as Press Metal and persons acting in concert have obtained an exemption from the Securities Commission Malaysia (SC) on July 23, according to a bourse filing on Monday. (*The Edge*)

BIPORT: Names ex-PETRONAS executive Anuar Ismail as new group CEO

Sarawak-owned Bintulu Port Holdings Bhd has appointed former Petroliam Nasional Bhd (PETRONAS) executive Anuar Ismail, 57, as its new group CEO, effective Aug 17, 2026. He replaces Datuk Ruslan Abdul Ghani, 59, who is leaving to join another Sarawak Energy Bhd. Bintulu Port Holdings has not announced who will take over the president role previously held by Ruslan since December 2024, following an organisational restructuring. (*The Edge*)

PESTEC: Auditor flags war troubles on RM50m contract assets

Pestec International Bhd said its external auditor flagged potential troubles involving a RM50.31m contract due to the Iran war. Nexia SSY PLT had expressed "qualified opinion" in the audited financial statements of Pestec for the financial year ended March 31, 2026 (FY2026), according to an exchange filing. A qualified opinion means auditors conclude that a financial statement is mostly true, except for a specific matter. (*The Edge*)

NESTCON: Secures RM74.5m affordable housing job from Exsim

Nestcon Bhd has secured a RM74.52m contract to build an affordable apartment project in Kwasa Damansara township in Sungai Buloh, Selangor. In a bourse filing on Monday, the construction company said its wholly owned Nestcon Builders Sdn Bhd, has accepted a letter of award from Exsim MX4 Sdn Bhd to undertake the project. Exsim MX4 is a subsidiary of property developer Exsim Group. The contract involves the construction of a 28-storey block of affordable apartments at Jalan Tasik Kenyir U4/21A in Kwasa Damansara. (*The Edge*)

AMS: Gets licence to start aluminium scrap business in Johor

Aluminium products supplier and manufacturer AMS Advanced Material Bhd, which was listed on Bursa Malaysia just over three months ago, has secured the necessary licences to commence its aluminium scrap business. In a bourse filing, the group said the approvals allow it to begin collecting, processing and selling aluminium scrap materials through its wholly owned subsidiary, AMS Ecogreen Sdn Bhd. Operations will be carried out at a facility in Johor with an initial processing capacity of about 17 tonnes per month. The group did not disclose in the filing which authority issued the licences. (*The Edge*)

LYC: Has until Friday to file overdue annual report to avoid trading suspension

LYC Healthcare Bhd faces a trading suspension from Aug 10 if it fails to submit its overdue annual report for the financial year ended March 31, 2026 (FY2026), by this Friday (Aug 7). The operator of confinement centres and aesthetic clinics missed the July 31 deadline to submit its annual report, including its audited financial statements and the auditors' and directors' reports, as required under Bursa Malaysia's listing requirements. (*The Edge*)

ALRICH: Unit gets approval to offer online money lending services

Corporate services provider Aldrich Resources Bhd said its indirect wholly owned subsidiary, Proficient Premium Sdn Bhd (PPSB), has obtained approval from the Housing and Local Government ministry to conduct online money lending business. In a Bursa filing on Monday, the group said the approval, granted under the Moneylenders Act 1951 was dated July 29 and received by PPSB on July 30. Proficient Premium already holds a valid money lending licence from the Housing and Local Government ministry. (*The Edge*)

MMM: Plans to appeal Bursa's rejection of PN17 regularisation plan

MMM Group Bhd plans to appeal against Bursa Securities' decision to reject its proposed regularisation plan to exit Practice Note 17 (PN17) status for financially distressed companies. MMM said it is in the process of submitting its appeal and will announce developments on it later, its bourse filing showed on Monday (Aug 3). MMM, which has been classified as a PN17 issuer since October 2019 after its shareholders' equity fell below 25% of its issued share capital, has until Aug 9 to appeal against Bursa's decision. Failing that, or if the appeal is unsuccessful, the company's securities will be delisted two market days after notification from Bursa. (*The Edge*)

KHEESAN: Khee San says all outstanding debt to creditors settled

Khee San Bhd said all of the company's outstanding debt to creditors has been settled, following the completion of its regularisation plan earlier this year. In a bourse filing on Monday, the candy maker said it has "fully settled all outstanding obligations to its creditors, and all banking facilities have been discharged". "As such, there are currently no defaults in payment by the company as at the date of this announcement (Aug 3)," the company noted. (*The Edge*)

Upcoming key economic data releases	Date
JOLTS Job Openings (Jun)	Aug 04
ADP Nonfarm Employment Change (Jul)	Aug 05
S&P Global Services PMI (Jul)	Aug 05
ISM Non-Manufacturing Prices (Jul)	Aug 05
ISM Non-Manufacturing PMI (Jul)	Aug 05
Initial Jobless Claims	Aug 06
Average Hourly Earnings (MoM) (Jul)	Aug 07
Nonfarm Payrolls (Jul)	Aug 07
Unemployment Rate (Jul)	Aug 07
Source: Investing.com	

Stock Selection Based on Dividend Yield

	Sector	Price (RM)	Dividend/Share (RM)	Dividend Yield (%)
Sentral REIT	REIT	0.74	0.06	8.84
MBM Resources	Consumer	4.82	0.42	8.80
Bermaz Auto	Consumer	0.97	0.08	8.45
CapitaLand Malaysia Trust	REIT	0.61	0.05	8.36
KIP REIT	REIT	0.88	0.07	8.34
YTL Hospital REIT	REIT	1.06	0.09	8.30
Paramount Corporation	Property	1.00	0.07	7.30
Taliworks Corporation	Utilities	0.28	0.02	7.14
Sports Toto	Consumer	1.35	0.09	6.96
Al-Salam REIT	REIT	0.58	0.04	6.90
TIME dotCom	Telco	6.00	0.40	6.65
Ta Ann Holdings	Plantation	5.81	0.39	6.64
Al-Aqar Healthcare REIT	REIT	1.15	0.07	6.52
MAG Holdings	Consumer	1.25	0.08	6.40
Magnum	Consumer	1.25	0.08	6.40

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	19 Aug

Source: Bursa Malaysia

Disclaimer & Disclosure of Conflict of Interest

The information contained in this report is based on data obtained from data and sources believed to be reliable at the time of issue of this report. However, the data and/or sources have not been independently verified and as such, no representation, express or implied, are made as to the accuracy, adequacy, completeness or reliabnity of the information or opinions in this report.

This report may contain forward-looking statements which are often but not always identified by the use of words such as “believe”, “estimate”, “intend” and “expect” and statements that an event or result “may”, “will” or “might” occur or be achieved and other simar expressions. Such forward-looking statements are based on assumptions made and information currently available to Mercury Securities Sdn Bhd. (“Mercury Securities”) and are subject to known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievement to be materially different from any future results, performance or achievement, expressed or implied by such forward-looking statements. Caution should be taken with respect to such statements and recipients of this report should not place undue reliance on any such forward-looking statements. Mercury Securities expressly disclaims any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or circumstances after the date of this publication or to reflect the occurrence of unanticipated events.

Accordingly, neither Mercury Securities nor any of its holding company, related companies, directors, employees, agents and/or associates nor person connected to it accept any liabnity whatsoever for any direct, indirect, or consequential losses (including loss of profits) or damages that may arise from the use or reliance on the information or opinions in this publication. Any information, opinions or recommendations contained herein are subject to change at any time without prior notice. Mercury Securities has no obligation to update its opinion or the information in this report.

This report does not have regard to the specific investment objectives, financial situation and particular needs of any specific person. Accordingly, investors are advised to make their own independent evaluation of the information contained in this report and seek advice from, amongst others, tax, accounting, financial planner, legal or other business professionals regarding the appropriateness of investing in any securities or the investment strategies discussed or recommended in this report. Nothing in this report constitutes investment, legal, accounting or tax advice or a representation that any investment or strategy is suitable or appropriate to your individual circumstances or otherwise represents a personal recommendation to you. This report is not intended, and should not under no circumstances be considered as an offer to sell or a solicitation of any offer or a solicitation or expression of views to influence any one to buy or sell the securities referred to herein or any related financial instruments.

Mercury Securities and its holding company, related companies, directors, employees, agents, associates and/or person connected with it may, from time to time, hold any positions in the securities and/or capital market products (including but not limited to shares, warrants and/or derivatives), trade or otherwise effect transactions for its own account or the account of its customers or be materially interested in any securities mentioned herein or any securities related thereto, and may further act as market maker or have assumed underwriting commitment or deal with such securities and provide advisory, investment, share margin facility or other services for or do business with any companies or entities mentioned in this report. In reviewing the report, investors should be aware that any or all of the foregoing among other things, may give rise to real or potential conflict of interests and should exercise their own judgement before making any investment decisions.

This research report is being supplied to you on a strictly confidential basis solely for your information and is made strictly on the basis that it will remain confidential. All materials presented in this report, unless specifically indicated otherwise, are under copyright to Mercury Securities. This research report and its contents may not be reproduced, stored in a retrieval system, redistributed, transmitted, or passed on, directly or indirectly, to any person or published in whole or in part, or altered in any way, for any purpose.

This report may provide the addresses of, or contain hyperlinks to websites. Mercury Securities takes no responsibnity for the content contained therein. Such addresses or hyperlinks (including addresses or hyperlinks to Mercury Securities own website material) are provided solely for your convenience. The information and the content of the linked site do not in any way form part of this report. Accessing such website or following such link through the report or Mercury Securities’ website shall be at your own risk.

This report is not directed to or intended for distribution or publication outside Malaysia. If you are outside Malaysia, you should have regard to the laws of the jurisdiction in which you are located.

The views expressed in this research report accurately reflect the analyst’s personal views about any and all of the subject securities or issuers; and no part of the research analyst’s compensation was, is or will be, directly or indirectly, related to the specific recommendations or views expressed in the report.

Published & Printed By:

MERCURY SECURITIES SDN BHD
Registration No. 198401000672 (113193-W)
L-7-2, No 2, Jalan Solaris, Solaris Mont' Kiara,
50480 Kuala Lumpur
Telephone: (603) - 6203 7227
Website: www.mercurysecurities.com.my
Email: mercurykl@mersec.com.my