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# Daily Newswatch

## Market Review

The FBMKLCI closed lower (-0.1% to 1,735.8) on Friday, mirroring the mixed performance across regional markets as oil prices edged higher. Telecommunication & Media (-0.9%), Both Reit and Technology (-0.8%) and Energy (-0.5%), led sectoral losses, driven by Petronas Dagangan (-1.6%), CelcomDigi (-1.4%) and Mr DIY (-1.3%), while losers outperform gainers 529 to 566 with 626 counters closed unchanged. Wow: FBMKLCI Performed weekly gains (+0.6%) and followed by the sector Construction (+3.7%), both Financial Services and Plantation (+2.7%) and Property (+1.8%).

Asian markets closed mostly low on Friday, as investors weighed geopolitical tensions in the Middle East against resilient corporate earnings and bargain hunting after recent declines. Shanghai CI (+1.0% to 3,940.0) led losses, followed by Hang Seng (+0.5% to 25,668.0), Nikkei 225 (-0.1% to 65,606.7), KOSPI (-0.6% to 6,528.8) and TAEIX (-0.4% to 44,225.9). China gains on Health Technology (+4.7%), Non-Energy Minerals (+2.6%) and Commercial Services (+2.4%) while Hong Kong gains were led by Health Technology (+5.3%), Non-Energy Minerals (+2.9%) and Electronic Technology (2.3%). Followed by Taiwan losses on Distribution Services (-2.4%), Commercial Services (-2.1%) and Miscellaneous (-1.4%). WoW: Shanghai CI (+2.8%), TAIEX (+2.6%), Nikkei 225 (+1.9%), Hang Seng (-0.8%) and KOSPI (-5.1%)

European stocks closed higher on Friday, tracking gains in major equity markets as industrial and technology stocks rebounded. The Euro STOXX 50 (+0.3% to 6,523.9), while the STOXX Europe 600 (+0.3% to 660.3). AI-related stocks advanced for a second session, with SAP (+4.1%), Infineon (+3.0%), and Siemens (+3.0%) higher. Sanofi (+1.3%) and Argenx (+1.3%) also gained, while Allianz (-1.6%) and Munich Re (-1.5%) declined despite reporting higher profits. WoW: STOXX 50 (+2.6%) and STOXX Europe 600 (+1.7%)

Wall Street closed higher on Friday as weaker-than-expected labor data reduced expectations of a Fed rate hike next month. The S&P 500 (+0.6% to 7,757.6), the Nasdaq CI (+1.3% to 26,690.6), and the Dow Jones (+0.3% to 54,036.9). Nonfarm payrolls unexpectedly fell 23,000, while lower Treasury yields supported credit-sensitive stocks. SpaceX (+15.8%) and Palantir (+10.3%) surged, while Sandisk (-3.7%) and Western Digital (-3.8%) declined. Berkshire Hathaway slipped ahead of earnings. WoW: S&P 500 (+3.6%), Nasdaq CI (+5.2%) and Dow Jones (+3.0%)

## Macro Snapshots

- **US:** Labor Force Participation Rate Falls to 61.4%
- **US:** Treasury Yields Fall Sharply After Weak Jobs Report
- **CN:** Tax authority clarifies offshore insurance income subject to domestic tax
- **MY:** Forex reserves rebound to US$132.1bn at end-July

## Corporate Snapshots

- **PARADIGM:** 2Q property income jumps over four-fold, declares 1.83 sen dividend
- **NHB:** Wins RM44.5m contract for Johor data centre landing station works
- **IOIPG:** Gets SC nod for RM7.58bn REIT listing
- **AVALAND:** Tops out 100%-sold Amika Residences, lines up over RM1bn in 2026 launches

| Key Indices | Last Close | Daily chg % | YTD chg % |
|---|---|---|---|
| FBMKLCI | 1,735.8 | (0.1) | 3.3 |
| Dow Jones | 54,036.9 | 0.3 | 12.4 |
| Nasdaq CI | 26,690.6 | 1.3 | 14.8 |
| S&P 500 | 7,757.6 | 0.6 | 13.3 |
| SX5E | 6,523.9 | 0.3 | 12.6 |
| FTSE 100 | 10,901.1 | 0.3 | 9.8 |
| Nikkei 225 | 65,606.7 | (0.1) | 30.3 |
| Shanghai CI | 3,940.0 | 1.0 | (0.7) |
| HSI | 25,668.0 | 0.5 | 0.1 |
| STI | 5,698.4 | 1.1 | 22.6 |

| Market Activities | Last Close | % Chg |
|---|---|---|
| Vol traded (m shares) | 3,559.0 | 9.8 |
| Value traded (RM m) | 3,473.8 | 19.4 |
| Gainers | 529 | |
| Losers | 566 | |
| Unchanged | 626 | |

| Top 5 Volume | Last Close | Daily chg % | Vol (m) |
|---|---|---|---|
| PERAK | 0.215 | 22.9 | 98.0 |
| GENE | 0.390 | 5.4 | 68.5 |
| HHR | 0.120 | 14.3 | 65.0 |
| ZETRIX | 0.700 | (1.4) | 59.5 |
| MRC | 0.345 | 1.5 | 50.2 |

| Top 5 Turnover | Last Close | Daily chg % | Val (RM m) |
|---|---|---|---|
| MAY | 10.680 | (1.1) | 221.8 |
| YTLP | 4.690 | 7.3 | 177.7 |
| PENT | 5.470 | (4.2) | 132.7 |
| STRATUS | 2.880 | 25.2 | 132.0 |
| PBK | 5.190 | (0.8) | 107.4 |

| Currencies | Last Close | Daily chg % |
|---|---|---|
| USD/MYR | 4.091 | 0.0 |
| USD/JPY | 157.760 | 0.4 |
| EUR/USD | 1.156 | 0.3 |
| USD/CNY | 6.746 | 0.1 |
| US Dollar Index | 99.539 | (0.4) |

| Commodities | Last Close | % Chg |
|---|---|---|
| Brent (USD/barrel) | 83.6 | 1.3 |
| Gold (USD/troy oz) | 4,341.6 | 2.4 |
| CPO (MYR/metric t) | 4,527.0 | (0.2) |
| Bitcoin (USD/BTC) | 64,882.0 | (0.1) |

*Source: Bloomberg*

## Macro News

### US: NY Fed finds little change in inflation expectations in July

Americans' outlook for inflation was little changed in July compared to the prior month as households marked up their assessments of their current and future financial situations, a report from the Federal Reserve Bank of New York said on Friday. Inflation a year from now is seen at 3.6% versus June's 3.7% reading, while the inflation projections for three and five years from now held steady at 3.3% and 3%, respectively, the bank said in its latest Survey of Consumer Expectations. *(Reuters*)

### US: Labor Force Participation Rate Falls to 61.4%

Both nonfarm payroll employment (-23,000) and the unemployment rate (4.1 percent) changed little in July. Employment declined in local government education and retail trade. Employment continued to trend up in health care. *Excluding the pandemic years 2020 and 2021, the labour force is at its lowest since 1976. (U.S. Bureau of Labor Statistics*)

### US: World Food Prices Hit Highest Level Since 2023

The FAO Food Price Index rose 0.6% to 131.1 points in July 2026, the first increase in three months and reaching the highest level since January 2023. Sugar prices jumped 5.6%, amid concerns about the potential impacts of persistent hot and dry weather on crop yields in the EU and of El Niño-related weather conditions on production prospects in key producing countries in Asia. Also, cereals went up 3.4%, with wheat prices soaring 5.8% amid heightened concerns over continued disruptions to Black Sea export flows and damage to export infrastructure, as well as the impact of recent heatwaves on crop yields in several producing countries. *(Food and Agriculture Organization of the United Nations*)

### US: Treasury Yields Fall Sharply After Weak Jobs Report

The yield on the US 10-year Treasury note fell sharply by 7 basis points to 4.6% on Friday after a weaker-than-expected jobs report scaled back bets on Fed rate hikes. Nonfarm payrolls unexpectedly declined by 23,000 last month, while figures for May and June were also revised sharply lower by a combined 103,000. Meanwhile, the unemployment rate fell to 4.1% from 4.2%, suggesting the labor market is facing renewed challenges after showing surprising strength earlier this year. The odds of a Fed rate hike in September fell to 42%, from 58% yesterday, while expectations for rate increases by December declined to 28 basis points from 32 basis points earlier.. (*Trading Economics)*

### CN: Beijing further relaxes home-buying curbs in property boost bid

Beijing's municipal authorities announced on Friday further measures to relax home-buying curbs as they try to prop up flailing home prices in the Chinese capital. China's housing market slump, now in its fifth year, has been constraining household consumption and exacerbating the economy's imbalance between strong industrial supply and weak domestic demand, making it a continued key focus point for authorities. At its peak, China's property market once accounted for a quarter of the world's second-largest economy, but has been struggling with a debt crisis since mid-2021. (*Reuters*)

### CN: Tax authority clarifies offshore insurance income subject to domestic tax — report

China's State Taxation Administration said offshore insurance income was subject to domestic tax, local news outlet the Paper reported, citing an official on Friday. China "treats all residents' overseas income equally, regardless of whether it is overseas insurance income or other investment income ... all income must be declared and taxed according to law," the official was quoted as saying. The clarification came after reports emerged that local tax authorities were stepping up cross-border tax compliance efforts and reviewing tax residents' unreported foreign income. (*Reuters*)

### JP: June household spending falls on weather, Iran conflict clouds outlook

Japanese household spending fell unexpectedly in June, government data showed on Friday, as weather-related factors weighed on outlays, while analysts expect private consumption to be subdued amid sentiment hit by the Middle East conflict. Consumer spending dropped 3.3% year-on-year, data from the internal affairs ministry showed, falling for a seventh straight month as it underperformed a median market forecast for a rise of 1%. On a seasonally adjusted, month-on-month basis, spending decreased 6.4% versus an estimated drop of 3.1%. (*Reuters*)

### MY: Forex reserves rebound to US$132.1bn at end-July

Malaysia's international reserves rose by US$300m at the end of July from a fortnight earlier, according to the central bank's latest update on Friday. Foreign exchange reserves totalled US$132.1bn, up from US$131.8bn in mid-July, Bank Negara Malaysia (BNM) said in a statement. The central bank releases data on foreign exchange reserves every two weeks. The reserves are sufficient to finance 4.7 months of imports of goods and services and cover 90% of the country's short-term external debt, BNM said. (*Bernama*)

**MY: Domestic investments under GEAR-uP triple to RM20.3bn in 2025**

The government's role is to maintain a credible policy and fiscal framework while using public capital to unlock markets, enabling private Government-linked investment companies (GLICs) deployed RM20.3bn in domestic investment under the Government-linked Enterprises Activation and Reform Programme (GEAR-uP) in 2025. The figure is a threefold increase from the RM6.6 bn domestic direct investment (DDI) deployed in 2024, Finance Minister II Datuk Seri Amir Hamzah Azizan noted. The six GLICs under GEAR-uP are the Employees Provident Fund (EPF), Permodalan Nasional Bhd (PNB), Retirement Fund (Inc) (KWAP), Khazanah Nasional Bhd, Pilgrims Fund Board (LTH) and Armed Forces Fund Board (LTAT). (*Bernama*)

## Corporate News

**STRATUS: Extends rally, hits limit-up on earnings growth expectations**

Shares of Stratus Global Holdings Bhd jumped as much as 30% on Friday, as investors piled into the newly listed semiconductor factory automation firm on expectations of stronger earnings and sustained positive market sentiment towards AI-linked stocks. The stock rose as much as 69 sen, hitting limit-up of RM2.99 during the afternoon session, from Thursday's close of RM2.30. It later pared some gains, but still closed up 58 sen or 25.22% higher at RM2.88, making it the second-biggest gainer on Bursa Malaysia. Compared with its initial public offering (IPO) price of 80 sen on July 21, the stock has rallied 260%. (*Bernama*)

**PARADIGM: 2Q property income jumps over four-fold, declares 1.83 sen dividend**

Paradigm Real Estate Investment Trust net property income jumped more than four times to RM40.36m in the second quarter ended June 30, 2026 (2QFY2026), from RM9.26m a year ago, supported by high revenue. Revenue surged over fourfold to RM60.46m in 2QFY2026, from RM13.17m a year before, its bourse filing showed on Friday (Aug 7). Paradigm REIT's portfolio comprises Bukit Tinggi Shopping Centre, Paradigm Mall Petaling Jaya and Paradigm Mall Johor Bahru. The retail-focused REIT has proposed an income distribution of 1.83 sen per unit, amounting to RM29.33m, representing about 98.99% of the quarter's distributable income. The payout will be made on Sept 15, 2026. (*The Edge*)

**NHB: Wins RM44.5 m contract for Johor data centre landing station works**

Nuenergy Holdings Bhd has secured a RM44.5m contract from an undisclosed China-based construction and engineering firm to undertake mechanical, electrical and plumbing (MEP) works for a Johor data centre landing station. NHB said in a bourse filing on Friday that it accepted the contract as part of the company's strategy to expand into the extra high voltage and transmission line sector. The project is also the company's largest high-voltage project to date. Work on the project is expected to be completed by the fourth quarter of 2026. (*The Edge*)

**EXSIMHB: EXSIM Hospitality unit Mana Mana Hospitality showcases RM194 m The Stallionz @ Ipoh White Times Square**

EXSIM Hospitality Bhd's subsidiary, Mana Mana Hospitality (MMH), has secured a management agreement for 395 serviced apartment units at The Stallionz @ Ipoh White Times Square under an 80/20 revenue-sharing scheme, according to a statement on Aug 3. MMH operates the units under a three-year service and management agreement rather than a leaseback scheme. Under the commercial structure, net rental revenue is split between the unit owner and MMH on an 80:20 basis. The development, which was launched in 2022, carries a gross development value of RM194.24m. Serviced apartment units within the development are priced at RM445,300. (*The Edge*)

**AVALAND: Tops out 100%-sold Amika Residences, lines up over RM1bn in 2026 launches**

Property developer Avaland Bhd has celebrated the topping out of its 100% sold Amika Residences project in Subang Jaya ahead of its construction schedule, according to a press statement issued on Friday. Also announced was its development pipeline with new project launches featuring a combined estimated gross development value (GDV) exceeding RM1 bn in 2026. "These include our third Aetas luxury residential project, Aetas Taman Desa and we will introduce Accent Petaling Jaya, our new premium development offering a differentiated proposition within the upper mid-market segment," said chief executive officer Apollo Bello Tanco.

**IOIPG: Gets SC nod for RM7.58bn REIT listing**

IOI Properties Group Bhd has secured the Securities Commission Malaysia's (SC) approval to establish and list its real estate investment trust (REIT), which will house RM7.58bn worth of the property developer's retail, office and hotel assets. The proposed IOIPG Malaysia REIT will debut with an initial fund size of 5.5bn units and be listed on the Main Market of Bursa Malaysia, according to the group's filing on Friday. The REIT will acquire nine properties from IOI Properties subsidiaries for a combined RM7.58bn, anchored by the IOI City Mall, which is valued at RM5.1bn and accounts for about two-thirds of the portfolio acquisition value. (*The Edge*)

**TXCD: Withdraws PN17 regularisation plan after regulatory pushback, seeks six-month extension**

TXCD Bhd has withdrawn its proposed regularisation plan after regulators said its proposal to transfer its listing to a new company while carving out its construction business amounted to a significant change in business direction under the Securities Commission Malaysia's Equity Guidelines. In a Bursa Malaysia filing on Friday, the PN17 company said it voluntarily withdrew the application submitted in March following regulatory feedback. It has applied for a six-month extension until Feb 7, 2027 to submit a revised regularisation plan. (*The Edge*)

**VLB: Names Liew Foo Heen, Soo Sze Ching joint MDs**

Vestland Bhd has redesignated Datuk Liew Foo Heen and Datuk Seri Soo Sze Ching as joint group managing directors, effective immediately. Liew, 48, was redesignated from his group managing director post, while Soo, 50, was redesignated from executive director and group CEO, according to bourse filings on Friday. As joint managing directors, Liew will oversee the group's building and construction segment, while Soo will oversee the infrastructure segment. Liew co-founded core unit Vestland Resources Sdn Bhd in 2011 and has served as managing director since 2016. (*The Edge*)

**LYC: Shares to be suspended from Monday after missing annual report deadline**

Trading in LYC Healthcare Bhd shares will be suspended from Monday (Aug 10), after the healthcare group failed to submit its overdue annual report. The operator of confinement centres and aesthetic clinics said it is still unable to release its annual report for the financial year ended in March 31, 2026 (FY2026), as its audited financial statements are pending finalisation by external auditor SBY partners PLT. It was due on Friday, Aug 7, 2026. The group now expects to issue and submit the annual report within two weeks from Friday, LYC Healthcare said in a bourse filing. (*The Edge*)

| Upcoming key economic data releases | Date |
|---|---|
| **Existing Home Sales (Jul)** | Aug 11 |
| **CPI (YoY) (Jul)** | Aug 12 |
| **CPI (MoM) (Jul)** | Aug 12 |
| **Core CPI (MoM) (Jul)** | Aug 12 |
| **10-Year Note Auction** | Aug 13 |
| **PPI (MoM) (Jul)** | Aug 13 |
| **Initial Jobless Claims** | Aug 13 |
| **30-Year Bond Auction** | Aug 14 |
| **Core Retail Sales (MoM) (Jul)** | Aug 14 |
| **Retail Sales (MoM) (Jul)** | Aug 14 |
| ***Source: Investing.com*** | |

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## Stock Selection Based on Dividend Yield

| | Sector | Price (RM) | Dividend/Share (RM) | Dividend Yield (%) |
|---|---|---|---|---|
| **Sentral REIT** | REIT | 0.73 | 0.07 | 8.90 |
| **KIP REIT** | REIT | 0.85 | 0.07 | 8.64 |
| **Bermaz Auto** | Consumer | 0.95 | 0.08 | 8.63 |
| **MBM Resources** | Consumer | 5.01 | 0.43 | 8.58 |
| **YTL Hospital REIT** | REIT | 1.05 | 0.09 | 8.38 |
| **CapitaLand Malaysia Trust** | REIT | 0.62 | 0.05 | 8.29 |
| **Paramount Corporation** | Property | 1.01 | 0.07 | 7.23 |
| **Taliworks Corporation** | Utilities | 0.28 | 0.02 | 7.14 |
| **Sports Toto** | Consumer | 1.32 | 0.09 | 7.12 |
| **Al-Salam REIT** | REIT | 0.59 | 0.04 | 6.78 |
| **TIME dotCom** | Telco | 6.01 | 0.40 | 6.64 |
| **Ta Ann Holdings** | Plantation | 5.88 | 0.39 | 6.56 |
| **Al-Aqar Healthcare REIT** | REIT | 1.15 | 0.07 | 6.52 |
| **MAG Holdings** | Consumer | 1.24 | 0.08 | 6.45 |
| **Magnum** | Consumer | 1.24 | 0.08 | 6.45 |

*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*

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