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Daily Newswatch

Market Review

The FBM KLCI edged up 0.1% to 1,666.9 points on Monday, snapping a three-session losing streak, as bargain hunting in selected blue-chip counters lifted the index amid easing concerns over the West Asia conflict and retreating oil prices. Energy (+3.0%), Utilities (+1.9%) and Transportation & Logistics (+0.5%) led sectoral gains, led by Hong Leong Bank (+0.4%), YTL Power (+0.3%) and Petronas Dagangan (+0.2%). Market breadth, however, was positive, with gainers outnumbering losers 654 to 552, and 517 counters unchanged.

Asian markets closed mostly higher on Monday, supported by renewed strength in technology and semiconductor stocks, easing oil prices and improved sentiment ahead of the upcoming US-China summit. South Korea's KOSPI led regional gains, rising 1.7%, followed by Hong Kong's Hang Seng (+1.2%), Taiwan's TAIEX (+1.1%) and China's Shanghai Composite (+1.0%), while Japan's Nikkei 225 was closed for a public holiday. In South Korea, chipmakers led the gains, with Samsung Electronics rising 5.0% after US semiconductor stocks rallied, while semiconductor exports surged 259% YoY to USD34.1 bn in the first 20 days of September, reinforcing expectations of strong chip demand and earnings. In China, sentiment was supported by gains in technology and healthcare stocks, while the PBOC maintained its key lending rates and investors awaited the Trump-Xi meeting.

European stocks closed firmly higher on Monday, supported by lower sovereign yields and easing ongoing pressures from an adverse macroeconomic backdrop. The Euro STOXX 50 gained 1.3% to 6,318 and the STOXX Europe 600 rose 1.0% to 642. Natural gas and fuel prices pulled back following the weekend amid signs that GCC nations are chasing diplomatic ways with Iran to restart tanker flows through the Persian Gulf. The drop in yields aided the outlook of credit and supported banks, with UniCredit, Nordea, and BBVA adding between 3.2% and 2%. Lastly, a global rally for the AI infrastructure sector supported Infineon with a 4.3% jump, while ASML added 2.5%.

US stocks rallied on Monday, supported by falling oil prices and lower Treasury yields, while optimism over the upcoming Trump-Xi summit further lifted sentiment. The Nasdaq CI surged 2.26%, while the S&P 500 and Dow gained 1.49% and 0.71%, respectively. Meta jumped 11.3% on optimism over its AI offering, Muse, while AMD and Intel surged 10% and 12.1%, respectively. Investors now await earnings from AutoZone and KB Home, along with speeches from Federal Reserve officials.

Macro Snapshots

- **US:** AI adoption is driving hiring, but mostly for senior roles
- **US:** EM investors are favouring local bonds as dollar debt lags
- **CN:** Yuan hits fresh multi-year peak as China's central bank eases curb ahead of Trump-Xi summit
- **MY:** Nearly two-thirds of Malaysians make RM2,200 or less a month in 2025

Corporate Snapshots

- **SPSETIA:** Launches 100-acre Heritage Park at Setia Fontaines
- **WINSTAR:** Plans RM300 million sukuk for investments, land acquisition, refinancing
- **PWRWELL:** Secures RM190m orders to supply low voltage switchgear for data centre in Johor
- **DIALOG:** Gets PETRONAS approval for US$81m RAJA Cluster development plan

Indices	Last Close	Daily chg %	YTD chg %
FBM KLCI	1,666.9	0.1	2.2
Dow Jones	52,048.8	0.7	8.8
Nasdaq CI	27,122.1	2.3	17.2
S&P 500	7,764.7	1.5	14.4
SX5E	6,318.2	1.3	9.0
FTSE 100	10,659.1	0.0	10.1
Nikkei 225	65,019.0	1.4	30.3
Shanghai CI	3,949.9	1.0	1.3
HSI	25,042.7	1.2	0.3
STI	5,675.2	0.3	26.5

Market Activities	Last Close	% Chg
Vol traded (m shares)	3,412.0	(30.6)
Value traded (RM m)	2,812.0	(42.4)
Gainers	654	
Losers	552	
Unchanged	517	

Top 5 Volume	Last Close	Daily chg %	Vol (m)
ZETRIX	0.200	0.0	1,007.9
JAKS	0.170	9.7	148.0
AAGB	0.530	0.0	133.4
HHRG	0.165	(2.9)	101.2
NIHSIN	0.390	0.0	72.0

Top 5 Turnover	Last Close	Daily chg %	Val (RM m)
TENAGA	13.040	(2.1)	195.5
YTLPOWR	0.200	(18.4)	130.0
MAYBANK	7.630	(0.8)	126.2
HENGYUAN	6.300	0.0	87.8
GAMUDA	10.320	(0.4)	87.7

Currencies	Last Close	Daily chg %
USD/MYR	4.078	(0.1)
USD/JPY	157.475	0.0
EUR/USD	1.147	0.1
USD/CNY	6.696	(0.0)
US Dollar Index	100.422	0.2

Commodities	Last Close	% Chg
Brent (USD/barrel)	100.3	0.0
Gold (USD/troy oz)	4,383.9	0.0
CPO (MYR/metric t)	4,698.0	0.0
Bitcoin (USD/BTC)	86,050.0	6.0

Source: FactSet

Macro News

US: Treasury Yields Edge Down 4.95% on Monday

The yield on the US 10-year Treasury note fell 4bps to 4.95% on Monday, as traders started the new week with another decline in oil prices, amid hopes that diplomatic efforts could lead to a resolution to the conflict with Iran. Oil prices have now fallen for four consecutive sessions, easing some concerns over renewed inflationary pressures *(Trading Economics)*

US: Gold Slips on Dollar Strength

Gold prices edged lower toward $4,350 on Monday, pressured by a stronger US dollar and profit-taking after last week's rally, while investors continued to monitor developments in the Middle East. Bullion reached its highest level in more than a week on Friday as falling oil prices eased concerns over prolonged inflationary pressures. Oil prices extended their decline at the start of the week as investors looked for signs of diplomatic progress on the Iran conflict around this week's UN meetings, although tensions remained elevated as Iran and the US exchanged fresh threats on Sunday. *(Trading Economics)*

US: Oil Holds Decline as Supply Concerns Ease

Crude oil held below $96 per barrel on Tuesday after falling for four consecutive sessions, pressured by easing supply concerns in the Middle East and growing diplomatic efforts to end the US-Iran war. President Donald Trump is scheduled to address the UN General Assembly in New York later today and could meet with Iranian President Masoud Pezeshkian on the sidelines. Trump is also expected to hold discussions with other Gulf nations and Chinese President Xi Jinping this week. *(Trading Economics)*

US: AI adoption is driving hiring, but mostly for senior roles

Companies using artificial intelligence are adding more jobs than those that are not but those gains sharply favour senior employees over junior workers, according to a new study spanning 41 countries. The number of employees in senior positions rose by 6.7% over five years at companies adopting AI while junior employment declined 3% in the same period, researchers Bharat Chandar of Stanford University and Bouke Klein Teeselink of King's College London said in a paper released on Monday. *(Bloomberg)*

US: Fed's Kashkari says inflation is still too high in 'all aspects' of US economy

Minneapolis Federal Reserve president Neel Kashkari said on Sunday that inflation is too high across all sectors of the US economy, not just in rising oil prices. "So even if we strip out energy, which is really volatile, and strip out food — they matter a lot — but in terms of where the economy is going, inflation is still too high," Kashkari told Fox News' Sunday Morning Futures. *(Reuters)*

US: Housing costs rise further out of reach ahead of mid-terms

Barely six weeks out from the midterm elections, housing costs that many Americans have long said are too high are looking even more out of reach. The latest blow for consumers came Thursday, when Freddie Mac reported that rates for 30-year mortgages climbed to 6.95%, the highest since January 2025, when President Donald Trump returned to office. That report emerged after the Federal Reserve raised interest rates for the first time in three years, crushing any hopes that borrowing costs will come down soon. *(Bloomberg)*

US: New data centres worth US$68 billion disrupted in US, data show

Opposition to data centres continues to mount in the US. That is according to research group Data Center Watch, which said some 45 data centre projects worth US$68 billion (RM277.28 billion) were blocked or delayed by local pushback between April and June this year. Communities across the country are now pushing through moratoriums on new construction, often before developers can apply for permissions. *(Bloomberg)*

US: EM investors are favouring local bonds as dollar debt lags

Emerging-market investors are for now sticking with local-currency sovereign debt as surging Treasury yields dim the appeal of dollar-denominated developing-nation bonds. Behind the strategy are attractive valuations and the potential to profit from carry trades, where investors borrow in low-yielding currencies to invest in higher-yielding assets. *(Bloomberg)*

US: ECB launches key link between blockchain and euro payment system

The European Central Bank on Monday began letting banks settle tokenised wholesale transactions in central-bank money while continuing efforts to develop a digital euro for consumers by the end of the decade. The so-called Pontes project links blockchain markets with the euro area's existing payment systems. It will eventually be replaced by a longer-term solution known as Appia, for which a blueprint should be ready in 2028. *(Bloomberg)*

CN: Yuan hits fresh multi-year peak as China's central bank eases curb ahead of Trump-Xi summit

China's yuan strengthened to more than a 3-1/2-year high against the US dollar on Monday as the central bank softened its curb on currency appreciation ahead of the meeting this week between the leaders of China and the US.US Treasury Secretary Scott Bessent and Chinese Vice Premier He Lifeng concluded talks in New York on Sunday, laying the groundwork for US President Donald Trump and Chinese President Xi Jinping to consider at their summit from Sept 23-25. (*Reuters*)

SK: Early exports maintain strong momentum on chip boom

South Korea's exports continued to grow at a solid pace in early September as global demand for artificial-intelligence supported semiconductor shipments and the broader trade-dependent economy. Exports adjusted for working-day differences rose 89.8% from a year earlier in the first 20 days of September, according to customs office data released Monday. That compared with an initially reported 61.5% increase during the same period in August. (*Bloomberg*)

MY: Nearly two-thirds of Malaysians make RM2,200 or less a month in 2025 — official data

Nearly two-thirds of Malaysia's wage earners were in semi- and low-skilled jobs in 2025, with median monthly wages of RM2,223 or less, according to the Department of Statistics Malaysia (DOSM). Semi-skilled workers, who accounted for 55.6% of wage earners, had a median monthly wage of RM2,223, while low-skilled workers, who make up 7.8% of wage earners, earned RM1,758. Skilled workers, by comparison, earned a median RM5,057. Skilled workers make up 36.6% of total wage recipients. (*The Edge*)

MY: Malaysians' average monthly salary up 4% to RM3,803 in 2025 — DOSM

The average monthly salary and wage of Malaysians increased by 4.1% to RM3,803 in 2025, compared with RM3,652 the previous year, according to the Salaries and Wages Survey Report 2025 published by the Department of Statistics Malaysia (DOSM) on Monday. At the same time, the median monthly salary and wage increased by 5.3 % to RM2,940 from RM2,793 in 2024. (*Berrnama*)

MY: REIT managers call for return of withholding tax relief in Budget 2027

The Malaysian REIT Managers Association (MRMA) hopes the withholding tax break on real estate investment trusts (REITs) dividends will be restored in Budget 2027. AmFIRST Real Estate Investment Trust (REIT) manager and chief executive officer Chong Hong Chuon told reporters after its annual general meeting and extraordinary general meeting that the association had submitted its requests to the government, including a review of the tax treatment for REIT distributions. (*Berrnama*)

Corporate News

AAGB: Malaysia wins best low-cost airline award for 17th year as it renews operating certificate

AirAsia Malaysia, the carrier operated by AirAsia Group Bhd, was recognised as the World's Best Low-Cost Airline for the 17th consecutive year at the 2026 Skytrax World Airline Awards in London last Friday.The latest win comes as the airline marks 25 years of operations. (*The Edge*)

INSPACE: Bags RM35 mil subcontract for renovation works

Interior fit-out firm Inspace Creation Bhd has won a subcontract of RM34.75 million to undertake renovation works on commercial properties. In a Bursa Malaysia filing on Monday, the group stated that its indirectly wholly owned subsidiary, IDPM Builder Sdn Bhd, had accepted a letter of award for the project from an undisclosed customer on Monday. The company said it could not disclose the identity of the main contractor as well as the location of the project and specific details of the subcontract due to confidentiality and non-disclosure obligations. (*The Edge*)

HENGYUAN: Hits four-year high after slew of good news

Hengyuan Refining Company Bhd, hit a four-year high on Monday in a sudden spike in its share price, which came amid a slew of positive developments, including the renewal of a 10-year product supply deal with Shell Malaysia two weeks ago. The spike comes as brent crude futures fell to a week's low of US$101.7 (RM415.06) a barrel. (*The Edge*)

PWRWELL: Secures RM190m orders to supply low voltage switchgear for data centre in Johor

Powerwell Holdings Bhd said on Monday it has secured two contracts worth RM190.42 million for the supply of low-voltage switchgear and related equipment for a data centre project in Johor. The electrical equipment manufacturer said its wholly owned unit, Powerwell International Sdn Bhd, will be supplying the equipment to a multinational technology corporation specialising in data centres. (*The Edge*)

DIALOG: Gets PETRONAS approval for US$81m RAJA Cluster development plan

Dialog Group Bhd said its RAJA Cluster small field asset production sharing contract (PSC) has received approval from Petroliam Nasional Bhd (PETRONAS) for an US$81 million (RM330.29 million) field development and abandonment plan. In a bourse filing on Monday, Dialog said the final investment decision for the plan was approved by PETRONAS through Malaysia Petroleum Management (MPM). (*The Edge*)

EFORCE: Proposes RM11 mil private placement to fund working capital as TS Wong hit by selldowns

Excel Force MSC Bhd, one of the companies linked to businessman Wong Thean Soon, has proposed a private placement to raise up to RM10.98 million for working capital and free up funds for a software project. The financial technology solutions provider plans to issue up to 60.99 million new shares, representing 10% of its existing issued share capital, to third-party investors to be identified later, according to its filing with Bursa Malaysia on Monday. *(The Edge)*

WINSTAR: Plans RM300 million sukuk for investments, land acquisition, refinancing

Winstar Capital Bhd proposes to issue a RM300 million sukuk to finance investments and land acquisition, as well as to refinance existing loans. The group, which lodged the sukuk murabahah programme with the Securities Commission Malaysia on Monday, said proceeds will also be used to defray issuance expenses and for working capital. *(The Edge)*

SPSETIA: Launches 100-acre Heritage Park at Setia Fontaines

S P Setia Bhd officially launched Setia Fontaines Heritage Park at Setia Fontaines in Kepala Batas, Penang — marking a significant milestone in the group's placemaking and township development efforts in Penang. According to a press statement on Sept 21, the launch was graced by Yang di-Pertua Negeri of Penang Tun Ramli Ngah Talib and his wife Toh Puan Raja Noora Ashikin Raja Abdullah, alongside state representatives, government agencies, strategic partners, invited guests, residents and members of the public. *(The Edge)*

KGB: To collaborate with Tata Group's unit on Gujarat semiconductor fabrication facility

Kelington Group Bhd has entered into a collaboration with electronics and semiconductor manufacturer Tata Electronics to advance the development of the latter's semiconductor fabrication facility (Fab) in Dholera, Gujarat. Kelington said under the agreement dated Sept 18, the group will support the Tata Group's unit in infrastructure and system deployment for the facility. *(The Edge)*

PEKAT: Unit to lease 470 acres in Sungai Petani for 24 years for renewable energy activities

Pekat Group Bhd said on Monday that it will lease about 470 acres of land in Sungai Petani, Kedah for renewable energy activities, including the development of solar photovoltaic systems and battery energy storage systems. In a bourse filing, the engineering services firm said its wholly owned unit Pekat Teknologi Sdn Bhd had entered into a conditional lease agreement with an unnamed company to lease the land. The company cited a confidentiality obligation for its reason to not name the lessor. (The Edge)

GAMUDA: JV secures RM1.8 bil Western Sydney road upgrade contract

Gamuda Bhd and Australian construction group BMD Constructions Pty Ltd have secured a A$624 million (RM1.8 billion) contract to upgrade two roads in Western Sydney. Transport for New South Wales awarded the Elizabeth Drive Upgrade-Mamre Road Upgrade Stage 2 project to the Gamuda-BMD Joint Venture (GBJV), which is equally owned by both parties, Gamuda said in a bourse filing on Monday. Gamuda's 50% share of the contract is expected to generate A$312 million, or about RM908 million, in revenue. The project commenced on Monday and is targeted for completion in 2030. *(The Edge)*

CTOS: Appoints Najib's daughter Putri Norlisa as independent director

Putri Norlisa Najib, the eldest daughter of former prime minister Datuk Seri Najib Razak, has joined CTOS Digital Bhd as an independent non-executive director. The 45-year-old lawyer's board appointment will take effect on Sept 25, according to a bourse filing by CTOS. She is one of three children from Najib's first marriage to Tengku Puteri Zainah Tengku Eskandar. Putri Norlisa is currently the joint managing partner of Adnan Sundra & Low, a position she has held since 2023. *(The Edge)*

SSB8: Unit wins RM40 mil electrical works job for Nilai data centre

Southern Score Builders Bhd has won a RM40 million subcontract for electrical works at a data centre project in Nilai, Negeri Sembilan. According to a bourse filing, Southern Score Builders said the letter of award was given to its 51%-owned subsidiary SJEE Engineering Sdn Bhd from an unnamed local construction company on Monday. SJEE will be responsible for the supply, delivery, installation, testing and commissioning of electrical works, as well as maintenance and warranty services. *(The Edge)*

STRAITS: Proposes capital reduction to wipe out RM90 million in losses

Straits Energy Resources Bhd has proposed a share capital reduction to eliminate RM90 million in accumulated losses. Based on the latest unaudited results, the proposed share capital reduction would eliminate the group's RM39.17 million accumulated losses as of June 30, 2026 – resulting in retained earnings of RM50.83 million, before taking into account the estimated RM165,000 expenses related to the exercise as well as the foreign currency translation reserve of RM4.05 million, the group said in a bourse filing on Monday (Sept 21). *(The Edge)*

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Upcoming key economic data releases	Date
US S&P Global Manufacturing PMI (Sep)	Sept 23
US S&P Global Services PMI (Sep)	Sept 23
US Crude Oil Inventories	Sept 23
US Initial Jobless Claims	Sept 24
US New Home Sales (Aug)	Sept 24
US Durable Goods Orders (MoM) (Aug)	Sept 25
Source: Investing.com	

Stock Selection Based on Dividend Yield

	Sector	Price (RM)	Dividend/Share (RM)	Dividend Yield (%)
Sentral REIT	REIT	0.66	0.06	9.77
MBM Resources	Consumer	4.82	0.45	9.38
Bermaz Auto	Consumer	0.94	0.08	9.09
CapitaLand Malaysia Trust	REIT	0.58	0.05	8.97
YTL Hospital REIT	REIT	1.00	0.09	8.50
KIP REIT	REIT	0.85	0.07	8.47
MAG Holdings	Consumer	1.21	0.10	7.85
Magnum	Consumer	1.21	0.10	7.85
Sports Toto	Consumer	1.30	0.10	7.54
Paramount Corporation	Property	1.00	0.07	7.30
UOA Development	Property	1.55	0.11	6.84
Al-Salam REIT	REIT	0.59	0.04	6.78
Pavilion REIT	REIT	1.56	0.10	6.60
Ta Ann Holdings	Plantation	6.10	0.40	6.56
Al-Aqar Healthcare REIT	REIT	1.16	0.07	6.38

Source: Bloomberg, FactSet
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		
Evocom Berhad	ACE Market	0.18	113.91	22.00	14 Sept	28 Sept
GB Bond Holdings Berhad	ACE Market	0.25	64.30	42.88	18 Sept	01 Oct
SLGC Berhad	ACE Market	0.28	105.00	63.00	22 Sept	06 Oct

Source: Bursa Malaysia

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