



Daily Newswatch

Market Review

The FBM KLCI ended lower in the red at 1,664.8 (-0.3%) after spending the majority of the day in positive territory, as investors shed gains in light of recent turmoil in global equities. Among the index constituents, the top decliners include YTL (-10%), YTLP (-5.1%), and SUNWAY (-2.7%). The top loss-making sectors include Technology (-3.3%), Energy (-1.1%) and Telecommunication (-1.1%). The overall broader market breadth turned negative, with 813 losers outpacing 438 gainers.

Economics

- **Singapore:** Import more low-carbon power from Indonesia
- **China:** Central bank sees room to cut reserve to boost growth
- **Philippine:** Annual inflation slows to 3.3% in August
- **Malaysia:** BNM keeps OPR at 3% as widely expected
- **Malaysia:** Anwar says Russia can tap on Malaysia's strength as global leader in Islamic finance

Companies

- **CN Asia:** Partner with JHEEE to explore wind energy in Malaysia
- **Kerjaya Prospek:** CEO resigns to pursue personal interests
- **Inta Bina:** Unit bags RM96.6m construction project
- **Binastra:** Secures RM283.3m building job in KL
- **Systech:** Partners with Pinetop for AI-powered data centres

Upcoming key economic data releases

	<u>Date</u>
EU – Q2 GDP	6 Sep
US – Aug 2024 Unemployment Rate	6 Sep
Malaysia – Jul 2024 IPI	10 Sep
US – Aug 2024 CPI	11 Sep
US – Aug 2024 PPI	12 Sep
US – FOMC	19 Sep
Malaysia – Aug 2024 CPI	23 Sep
Malaysia – Aug 2024 PPI	26 Sep
US – Q2 GDP	26 Sep
US – Aug 2024 PCE	27 Sep

Key Indices	Last Close	Daily chg %	YTD chg %
FBM KLCI	1,664.8	(0.3)	14.4
Dow Jones	40,755.8	(0.5)	8.1
Nasdaq CI	17,127.7	0.3	14.1
S&P 500	5,503.4	(0.3)	15.4
FTSE 100	8,241.7	(0.3)	6.6
Nikkei 225	36,657.1	(1.1)	9.5
Shanghai CI	2,788.3	0.1	(6.3)
HSI	17,444.3	(0.1)	2.3
STI	3,458.7	0.5	6.7

Market Activities	Last Close	% Chg
Vol traded (m shares)	3,298.3	8.4
Value traded (RM m)	3,434.3	18.8
Gainers	307	
Losers	813	
Unchanged	438	

Top 5 Volume	Last Close	Daily chg %	Vol (m)
STEEL HAWK	0.345	130.0	120.9
MY EG	0.915	1.1	58.9
MAYBANK	10.800	0.0	17.0
BAHVEST	0.535	8.1	53.7
CAPE EMS	0.340	(4.2)	51.4

Top 5 Turnover	Last Close	Daily chg %	Val (RM m)
CIMB	8.220	0.1	279.1
TENAGA	14.820	(0.5)	215.9
MAYBANK	10.800	0.0	183.8
PUBLIC BANK	4.750	(0.2)	141.2
YTL POWER	3.690	(5.1)	114.0

Currencies	Last Close	% Chg
USD/MYR	4.338	0.4
USD/JPY	143.41	0.0
EUR/USD	1.111	(0.0)
USD/CNY	7.0887	0.3
US Dollar Index	101.11	(0.2)

Commodities	Last Close	% Chg
Brent (USD/barrel)	72.7	(0.0)
Gold (USD/troy oz)	2,516	(0.0)
CPO (MYR/metric t)	4,021	0.7
Bitcoin (USD/BTC)	55,977	(0.2)

Economics

Singapore: Import more low-carbon power from Indonesia

Singapore will issue conditional approvals to import 1.4 gigawatts (GW) of electricity from two power projects in Indonesia, in addition to a previously agreed 2GW of imports, senior minister Teo Chee Hean said in Indonesia on Thursday. The conditional approval for the 2GW of imports will be upgraded to conditional licences this year, the minister told participants at the Indonesia International Sustainability Forum in Jakarta. The conditional approvals for the 1.4GW power will be granted to Total Energies-RGE and Shell-Vena consortia, Tan See Leng, Singapore's Minister of Manpower and Second minister for trade and infrastructure said at the conference. The initial 2GW power supply, which was agreed last year, is expected to start coming online from the end of 2027. It will come from projects being developed by five Indonesian and Singaporean companies that together have proposed to install about 11 gigawatt peak of solar photovoltaic capacity and 21 gigawatt battery storage capacity in Indonesia. *(Reuters)*

China: Central bank sees room to cut reserve buffers to boost growth

China still has room to lower the amount of cash banks must hold as reserves while it faces some constraints in cutting interest rates, government official said on Thursday, as it seeks to bolster the country's flagging economic recovery. The People's Bank of China, which has steadily reduced interest rates and injected liquidity this year, is under pressure to do more to ensure the economy grows around 5% this year, in line with the government's target. The average reserve requirement ratio, or RRR, for financial institutions is around 7% at present. *(Bloomberg)*

Philippine: Annual inflation slows to 3.3% in August

Philippine annual inflation slowed to a seven-month low in August, as price increases on food and transport costs moderated, the government said on Thursday, giving the central bank room to further ease rates. The consumer price index (CPI) rose 3.3% in August from a year earlier, below the previous month's 4.4% rise, bringing average inflation to 3.6% in the first eight months of the year, well within the central bank's 2% to 4% comfort range. Last month's inflation was the slowest since the 2.8% print in January. The core inflation rate, which strips out volatile food and energy prices, also slowed to 2.6% last month. Door to further cuts this year "remains wide open," the government said on Thursday. *(Bloomberg)*

Malaysia: BNM keeps OPR at 3% as widely expected

Malaysia's central bank on Thursday left the benchmark interest rate unchanged as widely expected, drawing comfort from sustained economic expansion and benign inflation. The overnight policy rate (OPR) was maintained at 3%, following the Monetary Policy Committee's two-day meeting, Bank Negara Malaysia (BNM) said in a statement. "At the current OPR level, the monetary policy stance remains supportive of the economy, and is consistent with the current assessment of inflation and growth prospects," BNM said. *(The Edge)*

Malaysia: Anwar says Russia can tap on Malaysia's strength as global leader in Islamic finance

Russia can tap on Malaysia's strength as a global leader in Islamic finance, said Prime Minister Datuk Seri Anwar Ibrahim. He said one area ripe for collaboration for the two countries is Islamic finance, where Malaysia is regarded as a global leader, boasting a robust ecosystem of institutions that not only adhere to shariah principles but also drive innovation in financial instruments. "Russia, with its sizeable Muslim population, stands at the threshold of enormous potential in Islamic finance, and I believe the introduction of Islamic banking in Russia can facilitate joint projects and attract significant investments from Muslim-majority nations," Anwar said when addressing the plenary session at the 9th Eastern Economic Forum (EEF) in Vladivostok, Russia, on Thursday. *(Bernama)*

Companies

CN Asia: Partner with JHEEE to explore wind energy in Malaysia

CN Asia Corp Bhd has signed a framework agreement with Jianghe Electromechanical Equipment Engineering Co Ltd (JHEEE) to explore and invest in Malaysia's wind energy sector. JHEEE, a state-owned enterprise based in Beijing, China, handles renewable energy projects and operations on behalf of the Chinese government. In a Bursa Malaysia filing, CN Asia reported that JHEEE has assured the group of its financial capacity, manpower, technology, and expertise to design, develop, build, and operate wind turbine farms in Malaysia. JHEEE's systems are equipped with monitoring and control technology for tracking power generation, managing charging and discharging and supplying power to electrical grids. "The framework agreement would allow CN ASIA to explore potential opportunities in expanding its revenue base in wind energy through participation in the project," CN Asia said. *(The Edge)*

Kerjaya Prospek: CEO resigns to pursue personal interests

Kerjaya Prospek Property Bhd's chief executive officer (CEO) Lee Sor Phaik has resigned from her position according to a bourse filing on Thursday. The filing said Lee, 543, is stepping down "to pursue personal interest". The resignation will take effect Sept 5. Her successor has yet to be announced. *(The Star)*

Inta Bina: Unit bags RM96.6m construction project

Inta Bina Group Bhd via its wholly-owned subsidiary Inta Bin Sdn Bhd has secured a RM96.6m contract from Sime Darby Property (Bukit Raja) Sdn Bhd for the construction of business service apartments in Putra Heights, Damansara, in Petaling, Selangor. In a filing with Bursa Malaysia, Inta Bina said the development comprises 246 units of business service apartments and 62 units of affordable business apartments, five carpark levels, residents' facilities and a guardhouse. The construction period is scheduled for 30 months from Sept 18, 2024, to March 17, 2027. *(The Star)*

Binastra: Secures RM283.3m building job in KL

Binastra Corporation Bhd's unit has received a RM283.3m contract for the main building works of a major residential development in Taman Desa, Kuala Lumpur. It received the contract from Kaisar Maxim Sdn. Bhd. The project entails the construction of a total of 624 residential units across three 31-storey blocks, four podium levels and five levels dedicated for parking, amongst others. Construction is scheduled to commence on Sept 17, 2024, with an expected completion timeline of 32 months, it said. "With RM1.9bn new contracts secured to date, we are confident that the group is on track to achieve its full-year target of RM3bn," Managing Director of Binastra Corporation Bhd Datuk Jackson Tan Kak Seng said in a statement. *(The Edge)*

Systech: Partners with Pinetop for AI-powered data centres

Systech Bhd wholly owned subsidiary SysAIU Sdn Bhd has signed a collaboration agreement with Pinetop Technology Venture Sdn Bhd, to establish advanced artificial intelligence (AI) data centers in Malaysia. Under the terms of this agreement, SysAIU will handle the sourcing and management of all essential equipment and infrastructure for the project. This includes graphics processing units (GPUs), servers, storage systems, networking equipment, cooling systems, and power supplies. SysAIU will also manage the installation, configuration, and maintenance of these systems, ensuring they meet top industry standards for performance, reliability, and compliance. "By combining our deep expertise in AI-driven operation with SysAIU's cutting-edge solutions and servicing of high-performance GPU, we are confident that this collaboration will lead to the development of world-class data centres capable of meeting the evolving needs of the digital landscape. "We are excited about the potential this partnership holds and look forward to delivering innovative solutions that will drive growth and technological progress in the region," he added. *(The Star)*



Stock Selection Based on Dividend Yield

Company	Sector	Price (RM)	Dividend/Share (RM)	Dividend Yield (%)
Bermaz Auto	Consumer	2.38	0.21	8.70
KIP REIT	REIT	0.90	0.08	8.44
Sentral REIT	REIT	0.80	0.07	8.38
Hektar REITS	REIT	0.53	0.04	7.43
YTL Hospital REIT	REIT	1.17	0.09	7.35
Amway (M)	Consumer	6.96	0.50	7.14
British American Tobacco (M)	Consumer	7.94	0.55	6.86
UOA REITS	REIT	0.94	0.06	6.84
RHB Bank	Finance	6.03	0.40	6.62
CapitaLand Malaysia Trust	REIT	0.65	0.04	6.62
Sports Toto	Consumer	1.59	0.10	6.54
Datasonic Group	Technology	0.46	0.03	6.52
Pavilion REIT	REIT	1.45	0.09	6.48
MBM Resources	Consumer	5.94	0.38	6.46
Gas Malaysia	Utilities	3.69	0.23	6.31

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		
99 Speed Mart Retail Holdings Bhd	Main Market	1.65	400.0	1,028.0	23 Aug	9 Sept
Solar District Cooling Group Bhd	ACE Market	0.38	118.7	0.0	6 Sep	19 Sep

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