



# Daily Newswatch

## Market Review

FBM KLCI finished Tuesday on a positive note at 1,664.3 (+0.7%), with some stocks reaching their limit highs, driven by positive sentiments in the local market. Among the index constituents, the top gainers are QL (+4.2%) and IHH (+4.0%), while the top decliners are GENTING (-3.7%) and YTL (-2.5%). The best-performing sector is Healthcare (+10.2%), which is not surprising given the massive rally in glove counters following the hike in US tariffs imposed on Chinese-made gloves. The broader market breadth remained positive, with 658 gainers outpacing 433 decliners.

## Economics

- Malaysia:** Federal govt to launch 23 new affordable housing projects nationwide under 12th MP
- US:** Tariff hikes will raise prices for US consumers
- Singapore:** August 2024 exports rise 10.7% y-o-y, lower than forecast
- Thailand:** Cabinet approves USD4.4bn cash handout to spur economy
- UK:** Starmer says he won't hurt economic growth with budget plans

## Companies

- Technology:** Intel will delay ops of new facility being built in Penang
- Perak Corp:** Gets sixth extension, has until Feb 2025 to submit regularisation plan
- Samaiden:** Set up JV for renewable energy business in Indonesia
- MyEG:** Partners with freight forwarders to promote its blockchain-based ZTrade
- Supermax:** Begin glove production in US by Jan 2025
- Uzma:** With ReOrbit to provide geostationary earth orbit communications satellite services
- Alliance Bank:** Chairman Ahmad Mohd Don passes away at 77
- Genting:** Issue additional USD100m senior notes at 7.3%
- Resintech:** Forms JV for industrial plastics business in Sarawak

### Upcoming key economic data releases

	<u>Date</u>
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	1,664.3	0.7	14.4
Dow Jones	41,606.2	(0.0)	10.4
Nasdaq CI	17,628.1	0.2	17.4
S&P 500	5,634.6	0.0	18.1
FTSE 100	8,309.9	0.4	7.5
Nikkei 225	36,203.2	(1.0)	8.2
Shanghai CI	2,704.1	(0.5)	(9.1)
HSI	17,660.0	1.4	3.6
STI	3,593.4	0.6	10.9

Market Activities	Last Close	% Chg
Vol traded (m shares)	3,186.0	12.2
Value traded (RM m)	3,348.5	22.1
Gainers	658	
Losers	433	
Unchanged	454	

Top 5 Volume	Last Close	Daily chg %	Vol (m)
TOP GLOVE	1.140	24.6	232.9
SUPERMAX	0.930	17.7	88.1
CAREPLUS	0.305	17.3	78.9
KOSSAN	2.250	23.0	64.6
HARTALEGA	3.140	29.8	54.1

Top 5 Turnover	Last Close	Daily chg %	Val (RM m)
CIMB	8.360	2.5	292.0
TOP GLOVE	1.140	24.6	258.8
MAYBANK	10.660	0.2	192.7
HARTALEGA	3.140	29.8	166.7
IHH	7.050	4.0	163.7

Currencies	Last Close	% Chg
USD/MYR	4.259	1.0
USD/JPY	141.94	0.3
EUR/USD	1.1123	0.1
USD/CNY	7.0972	0.3
US Dollar Index	100.89	0.1

Commodities	Last Close	% Chg
Brent (USD/barrel)	73.7	1.3
Gold (USD/troy oz)	2,574	0.2
CPO (MYR/metric t)	3,866	0.5
Bitcoin (USD/BTC)	60,220	0.1

## Economics

### **Malaysia: Federal govt to launch 23 new affordable housing projects nationwide under 12th MP**

The Federal Government is poised to implement at least 23 new affordable housing projects through the People's Housing Programme (PPR) under the 12th Malaysia Plan. Deputy Minister of Local Government and Housing (KPKT) Datuk Aiman Athirah Sabu said these projects are set to provide over 7,000 units of affordable homes, specifically designed to assist the low-income B40 group. "Once completed, these new units will offer improved facilities and contribute to the ministry's broader goal of delivering 500,000 units of affordable housing under the 12th Malaysia Plan," she said at the Sentuhan Kasih KPKT Labuan — Presentation of the Key to Recipients of the PRR Batu Arang here yesterday. (*Bernama*)

### **US: Tariff hikes will raise prices for US consumers**

The United States' latest move to raise tariffs on certain Chinese products threatens the stability of global supply chains and will ultimately pass the burden onto its consumers, according to the governor. The Office of the US Trade Representative (USTR) announced last Friday that it had finalised tariff hikes on selected Chinese products following a four-year review aimed at "strengthening protections for strategic industries" despite opposition from multiple domestic sectors. (*Bloomberg*)

### **Singapore: August 2024 exports rise 10.7% y-o-y, lower than forecast**

Singapore's non-oil domestic exports rose 10.7% in August from same month a year earlier, government data on Tuesday showed, buoyed by a rise in both electronic and non-electronic products. Last month's growth compared with forecast of a 15% increase, and extended the 15.7% expansion in July. On a month-on-month seasonally adjusted basis, non-oil domestic exports fell 4.7% in August, following July's 12.2% expansion. That was steeper than the government forecast for a 3.3% decline. (*Bloomberg*)

### **Thailand: Cabinet approves USD4.4bn cash handout to spur economy**

Thailand's cabinet approved a cash handout plan totalling 145.6bn baht (RM18.7bn) that will benefit millions of the poor and help stimulate Southeast Asia's second-largest economy. The government will start transferring 10,000 baht each to an estimated 14.6m beneficiaries from Sept 25, Finance Minister Pichai Chunhavajira told a briefing after a cabinet meeting in Bangkok on Tuesday. The beneficiaries include 12.4m state welfare cardholders and 2.15m people with disabilities, he said. The stimulus is the centrepiece of new Prime Minister Paetongtarn Shinawatra's efforts to revive an economy that's grown roughly average 2% a year for the past decade, less than half the pace of neighbouring Indonesia. The payout will lift growth by 35 basis points this year, according to an official statement. (*Bloomberg*)

### **UK: Starmer says he won't hurt economic growth with budget plans**

UK Prime Minister Keir Starmer said he'll prioritise economic growth in the government's upcoming budget, despite concerns from business that a looming package of tax hikes and spending cuts could stymie the British economy. "The No. 1 priority of this government is economic growth and all decisions will be made against that objective," Starmer said to reporters as he flew back from meeting Italian Premier Giorgia Meloni in Rome on Monday. "If it promotes economic growth, it's in the 'Yes' column; if it is inhibiting growth, it's in the 'No' column." (*Bloomberg*)

## Companies

### Malaysia: Intel will delay ops of new facility being built in Penang

Intel Corp will delay the operations of a new plant currently being built in Malaysia as the world's largest computer chip maker grapples with declining sales and mounting quarterly losses. This is the second foreign big name that has put the brakes on expanding production, after Osram Opto Semiconductors Sdn Bhd, a unit of Austrian-German leading intelligent sensors and emitters-maker ams Osram. *(The Edge)*

### Perak Corp: Gets sixth extension, has until Feb 2025 to submit regularisation plan

Debt-ridden Perak Corp Bhd has been given another six-month extension by Bursa Malaysia to submit its regularisation plan, with the deadline now being postponed to Feb 9, 2025. This was in response to the company's application for an extension of time in Aug 9, which it submitted as its previous Aug 10 submission deadline approached. Perak State Development Corp is the largest shareholder in Perak Corp, with a 52.9% stake. The extension is without prejudice to Bursa's right to proceed to suspend the trading of the listed securities of the company and to delist the company in the event it fails to submit the regularisation plan to the relevant regulatory authorities on or before Feb 9, 2025. *(The Edge)*

### Samaiden: Set up JV for renewable energy business in Indonesia

Samaiden Group Bhd on Tuesday announced plans to expand its renewable energy (RE) business into Indonesia via the setting up of a joint venture (JV) company. The group said its subsidiary, Samaiden SG Pte Ltd, will establish the JV with PT MCS Bina Energi on a 70:30 basis, with an authorised capital of 10bn rupiah (RM2.8m). MCS Bina is involved in sectors such as basic infrastructure, RE and mineral resources. The company is closely aligned with Bintang Timur Investama, a diversified investment firm that actively engages in infrastructure, RE and technology sectors, said Samaiden in a bourse filing. *(The Edge)*

### MyEG: Partners with freight forwarders to promote its blockchain-based ZTrade

MyEG Services Bhd has teamed up with the Federation of Malaysian Freight Forwarders (FMFF) to promote ZTrade — a blockchain-based trade document system — as Malaysia's National Single Window (NSW) for cross-border trade facilitation. FMFF, recognised and endorsed by the Ministry of Transport as a national association representing the logistics industry, currently has 1,500 members nationwide. This partnership follows MyEG's recent exclusive collaboration with East Logistics Link Co Ltd (ELLC), a subsidiary of the General Administration of Customs of China (GACC), to jointly develop and implement a NSW to facilitate cross-border trade in Asean. *(The Edge)*

### Supermax: Begin glove production in US by Jan 2025

Supermax Corp Bhd said on Tuesday that it will begin commercialising its glove production at its first US manufacturing facility in Texas by January 2025. In a bourse filing, the company said its wholly-owned subsidiary, US-based Maxter Healthcare Inc will commence testing and commissioning of its first batch of production lines in December 2024 and commercialisation of glove production is expected by January. Supermax also said the phase one operation has a total production capacity of 4.8bn pieces of gloves per annum, and it expects to achieve half capacity by next year. *(The Edge)*

### Uzma: With ReOrbit to provide geostationary earth orbit communications satellite services

Uzma Bhd has entered into strategic agreements with Finnish space technology start-up ReOrbit in relation to a geostationary earth orbit (GEO) communications satellite project. These will see ReOrbit and Uzma provide a software enabled state-of-the-art GEO communications satellite to bring connectivity and ensure consistent coverage across Malaysia, Uzma said in a bourse filing. Uzma group CEO Datuk Kamarul Redzuan Muhamed said the venture will unlock new opportunities and create a sustainable future for the group in the new space economy. *(The Edge)*

**Alliance Bank: Chairman Ahmad Mohd Don passes away at 77**

Alliance Bank Malaysia Bhd announced that its chairman Tan Sri Ahmad Mohd Don, 77, has passed away earlier on Tuesday. Ahmad led the Alliance Bank group as chairman since Feb 1, 2017 and was instrumental in Alliance Bank's transformation journey, emphasising the inculcation of the bank's core values in everything it does, according to the banking group in a statement. *(The Edge)*

**Genting: Issue additional US\$100m senior notes at 7.3%**

Two of Genting Malaysia Bhd's subsidiaries, video lottery facility operator Genting New York LLC (Genny) and its unit Genny Capital Inc, have priced an additional USD100m (RM427m) of 7.3% senior unsecured notes, due 2029. This came after the two indirect wholly-owned units priced an offering of USD525m of 7.3% senior unsecured notes, also due 2029, last Tuesday. "These additional notes form part of the same series as the initial USD525m aggregate principal amount of notes that were priced on Sept 10, 2024 (initial notes) and the additional notes will carry the same terms as the initial notes," Genting Malaysia said in a bourse filing Tuesday. *(The Edge)*

**Resintech: Forms JV for industrial plastics business in Sarawak**

Pipes and fittings maker Resintech Bhd on Tuesday said it is forming a joint venture (JV) with a unit of a Sarawak state agency to jointly trade industrial plastic products in the state. The JV will boost Resintech's trading capabilities and open doors to new opportunities in Sarawak's rapidly growing industrial sector, the company said in a statement. The JV will also provide a steady revenue stream from the Sarawak market, Resintech said. "The JV will initially focus on trading industrial plastics products, with the possibility of expanding into manufacturing based on future market demands," it said. *(The Edge)*



## Stock Selection Based on Dividend Yield

Company	Sector	Price (RM)	Dividend/Share (RM)	Dividend Yield (%)
Bermaz Auto	Consumer	2.31	0.20	8.79
Bonia Corporation	Consumer	1.48	0.13	8.78
British American Tobacco (M)	Consumer	7.70	0.63	8.22
Sentral REIT	REIT	0.79	0.06	8.10
KIP REIT	REIT	0.91	0.07	7.96
Hektar REITS	REIT	0.52	0.04	7.50
Amway (M)	Consumer	6.89	0.50	7.21
Ta Ann Holdings	Plantation	3.80	0.26	6.79
MBM Resources	Consumer	5.60	0.38	6.75
Datasonic Group	Technology	0.45	0.03	6.74
UOA REITS	REIT	0.96	0.06	6.70
Tambun Indah Land	Property	0.91	0.06	6.59
MAG Holdings	Consumer	1.18	0.08	6.53
Magnum	Consumer	1.18	0.08	6.53
CapitaLand Malaysia Trust	REIT	0.66	0.04	6.52

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		
Solar District Cooling Group Bhd	ACE Market	0.38	118.7	0.0	6 Sep	19 Sep

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