



Daily Newswatch

Market Review

The FBM KLCI finished higher today at 1,615.1 (+0.3%) as bargain-hunting activity increased following six consecutive sessions of decline. Among the index constituents, MAXIS (+5.0%), SIME (+2.5%) and YTLPOWR (+2.3%) were among the top gainers. Sector-wise, the top gainers were led by Technology (+0.7%), Plantation (+0.3%) and Transportation & Logistics (+0.6%). In summary, the overall broader market breadth was quite balanced, with 490 gainers matching 497 losers, while 511 counters were unchanged.

Economics

- US:** Treasury trims borrowing estimate to US\$546bn 'for quarter'
- EU:** Bank of England to cut bank rate to 4.8% on Nov 7
- Japan:** Job market tightens in positive sign for wages, central bank
- China:** Eyeing US election, China considers over US\$1.4tn in extra debt over next few years

Companies

- Binasat:** Bags RM46m power substation job in Genting Klang
- Bina Puri:** Unit completes drawdown of RM73m credit financing facility from MBSB
- Techna-X:** Unable to submit annual report on time, faces trading suspension
- Smile Link:** Seeks trading suspension, says unable to release audited statements
- Salcon:** Exits moneylending business
- Kumpulan Kitacon:** Secures RM131.9m residential buildings job from Tropicana unit
- Maybank:** Officially names Michael Oh-Lau as CEO of IB

Upcoming key economic data releases

	Date
US – Oct 2024 NFP	1 Nov
US – Oct 2024 Unemployment	1 Nov
US – Oct 2024 ISM Manufacturing PMI	1 Nov
Malaysia – Nov 2024 Interest Rate	6 Nov
US – Nov 2024 Fed Interest Rate	7 Nov
Malaysia – Sep 2024 Unemployment	8 Nov
US – Oct 2024 CPI	13 Nov
US – Oct 2024 PPI	14 Nov
EU – Oct 2024 GDP Growth Rate	14 Nov
EU – Oct 2024 Inflation Rate	19 Nov
Malaysia – Oct 2024 Inflation Rate	22 Nov

Key Indices	Last Close	Daily chg %	YTD chg %
FBM KLCI	1,615.1	0.3	11.0
Dow Jones	42,233.1	(0.4)	12.1
Nasdaq CI	18,712.8	0.8	24.7
S&P 500	5,832.9	0.2	22.3
FTSE 100	8,219.6	(0.8)	6.3
Nikkei 225	38,903.7	0.8	16.3
Shanghai CI	3,286.4	(1.1)	10.5
HSI	20,701.1	0.5	21.4
STI	3,590.4	0.0	10.8

Market Activities	Last Close	% Chg
Vol traded (m shares)	2,484.8	1.3
Value traded (RM m)	2,264.0	2.2
Gainers	490	
Losers	497	
Unchanged	511	

Top 5 Volume	Last Close	Daily chg %	Vol (m)
TALAMT	0.020	(20.0)	93.4
OBHB	0.250	4.2	63.9
MYEG	0.865	(1.7)	49.7
CAPITALA	0.990	0.5	43.6
BARAKAH	0.060	50.0	42.8

Top 5 Turnover	Last Close	Daily chg %	Val (RM m)
CIMB	8.090	0.9	172.3
MAYBANK	10.460	0.6	170.5
TENAGA	14.060	0.4	137.4
YTL	2.000	1.0	65.2
PBBANK	4.460	0.0	64.5

Currencies	Last Close	% Chg
USD/MYR	4.3785	(0.4)
USD/JPY	153.24	0.1
EUR/USD	1.0821	0.0
USD/CNY	7.1291	0.0
US Dollar Index	104.32	0.0

Commodities	Last Close	% Chg
Brent (USD/barrel)	71.1	(0.4)
Gold (USD/troy oz)	2,774	(0.0)
CPO (MYR/metric t)	4,732	(0.1)
Bitcoin (USD/BTC)	72,607	0.4



Economics

US: Treasury trims borrowing estimate to US\$546bn 'for quarter'

The US Treasury trimmed its estimate for federal borrowing for the current quarter, while continuing to expect a US\$700bn (RM3tn) cash balance at the end of the year, just before the federal debt ceiling kicks back in. The Treasury Department said in a statement Monday that it now estimates US\$546bn in net borrowing for October through December, down from the US\$565bn it had penciled in back in July. Officials' year-end cash estimate was unchanged. This quarter's smaller borrowing need is largely a reflection of a bigger cash stockpile on hand at the end of September than the Treasury had expected. This was "partially offset by lower net cash flows," the department said. *(Bloomberg)*

EU: Bank of England to cut bank rate to 4.75% on Nov 7

The Bank of England (BOE) will cut its bank rate by a quarter-point on Nov 7 to 4.8%, according to all 72 economists polled by *Reuters*, but a near-two-thirds majority expect no move in December, suggesting the BOE will stick to a cautious approach. British inflation plunged to a three-year low of 1.7% in September from 2.2%, below the BOE's 2% target. That leaves room for the Monetary Policy Committee (MPC) to cut rates next week after pausing in September following a narrow vote to start easing in August. The prospect of an increase in investment from British Finance Minister Rachel Reeves' budget due this week. *(Bloomberg)*

Japan: Job market tightens in positive sign for wages, central bank

Japan's labour market tightened in September, indicating sustained pressure on companies to raise wages ahead of the Bank of Japan's (BOJ) policy meeting this week. The job-to-applicant ratio edged up to 1.24 from 1.23 in August, meaning that there were 124 jobs offered for every 100 applicants, the Labor Ministry reported on Tuesday. Economists had forecast no change from 1.23. A separate report from the Ministry of Internal Affairs showed that the jobless rate decreased to 2.4% in September, falling to the lowest since January. The number of workers rose by 270,000 from a year ago, while those without jobs decreased by 90,000. *(Bloomberg)*

China: Eyeing US election, China considers over US\$1.4tn in extra debt over next few years

China is considering approving next week the issuance of over 10 trillion yuan (US\$1.4tn or RM6.1tn) in extra debt in the next few years to revive its fragile economy, a fiscal package which is expected to be further bolstered if Donald Trump wins the US election, said two sources with knowledge of the matter. China's top legislative body, the Standing Committee of the National People's Congress (NPC), is looking to approve the fresh fiscal package, including six trillion yuan which would partly be raised via special sovereign bonds, on the last day of a meeting to be held from Nov 4-8. *(Reuters)*

Companies

Binasat: Bags RM46m power substation job in Genting Klang

Satellite telecommunications company Binasat Communications Bhd has secured a contract worth RM46.3m for the supply, erection and commissioning of transmission main intake (PMU) job in Genting Klang, Kuala Lumpur. Binasat said in a bourse filing on Tuesday (Oct 29) that its 70%-owned unit Binasat Digital Sdn Bhd (BDSB) — formerly known as Satellite NOC Sdn Bhd — received the contract from Reltency Engineering Services Sdn Bhd. The contract is effective on Oct 29, 2024, and is expected to be completed within 540 days from its commencement date. (*The Edge*)

Bina Puri: Unit completes drawdown of RM73m credit financing facility from MBSB

Civil and building construction firm Bina Puri Holdings Bhd announced on Tuesday that its subsidiary Sumbangan Lagenda Sdn Bhd has completed the drawdown of its RM73m credit financing facility from Islamic banking group MBSB Bhd. The credit financing facility from MBSB bolsters Sumbangan Lagenda's financial position, enabling it to not only meet its working capital requirements but also improve its offerings, Bina Puri said in a statement. Sumbangan Lagenda operates The Main Place Mall @ USJ 21, a shopping centre in Subang Jaya. The development was originally an old and rundown property that was abandoned and left idle for about 16 years. (*The Edge*)

Techna-X: Unable to submit annual report on time, faces trading suspension

Technology company Techna-X Bhd said it is unable to release its annual report for the financial period ended June 30, 2024, to Bursa Securities and shareholders by Thursday (Oct 31). It did not disclose the reason why. This includes the annual audited financial statements together with the auditors' and directors' reports. In a filing with Bursa Malaysia on Tuesday, Techna-X said pursuant to Bursa Securities' Main Market listings requirements, trading in Techna-X's securities will be suspended if the company fails to issue the annual report 2024 within five market days, that is, Nov 7. (*The Edge*)

Smile Link: Seeks trading suspension, says unable to release audited statements

Smile-Link Healthcare Global Bhd is seeking a temporary suspension of trading of its shares, on the same day it announced it is unable to meet the deadline to release its latest audited financial statements. In its filing, the LEAP Market-listed dental outfit said it was seeking suspension in its trading to avoid speculative trading "pertaining to the performance of the company", following its loss-making results that was announced two months ago. Smile-Link also explained that it would not be able to release the 18-month audited financial statements by the upcoming deadline on Wednesday (Oct 30), due to an outstanding audit fee of RM180,000. According to the group, its auditor has requested 90% of the audit fee, totaling RM180,000, before releasing the financial results. (*The Edge*)

Salcon: Exits moneylending business

Water and wastewater engineering and construction firm Salcon Bhd has exited the moneylending business. On Tuesday, Salcon said its wholly owned subsidiary Kencana Kesuma Sdn Bhd has ceased its moneylending activities on Sept 21 after it decided not to renew its moneylenders' licence. "Kencana Kesuma is a dormant company. The cessation of Kencana Kesuma's moneylending business will not have any effect on the share capital and substantial shareholders' shareholdings of Salcon," it added. (*The Edge*)



Kumpulan Kitacon: Secures RM131.9m residential buildings job from Tropicana unit

Kumpulan Kitacon Bhd has secured a contract worth RM131.9m to build terraced houses in Bandar Puncak Alam, Ijok, Selangor, for Tropicana Alam Sdn Bhd, a unit of Tropicana Corp Bhd. The contract was secured via its wholly owned Kitacon Sdn Bhd on Monday, which had accepted a letter of award from Tropicana Alam. Under the 24-month contract that will begin on Nov 1, it will build 449 units of 20'x70' double-storey terraced house, 31 units of 22'x70' double-storey terraced house, and two power substations. (*The Edge*)

Maybank: Officially names Michael Oh-Lau as CEO of IB

Malayan Banking Bhd has officially named insider Michael Oh-Lau as the head of its investment banking operations in Malaysia, on top of his regional role. The appointment of Oh-Lau as the chief executive officer of Maybank Investment Bank Bhd (Maybank IB) took effect on Monday, Oct 28, Maybank said in a statement. He is currently the CEO of Maybank Investment Banking Group that also houses international operations in Asean, Hong Kong, India and the UK. He will be responsible for “growing the Malaysian business, reinforcing its position as the leading investment bank, while driving regional leadership”. (*The Edge*)



Stock Selection Based on Dividend Yield

	Sector	Price (RM)	Dividend/Share (RM)	Dividend Yield (%)
British American Tobacco (M)	Consumer	7.19	0.61	8.43
Sentral REIT	REIT	0.80	0.06	8.05
Datasonic Group	Technology	0.39	0.03	7.79
KIP REIT	REIT	0.93	0.07	7.78
MAG Holdings	Consumer	1.18	0.09	7.29
Magnum	Consumer	1.18	0.09	7.29
Hektar REITS	REIT	0.55	0.04	7.16
Amway (M)	Consumer	6.96	0.50	7.14
REXIT	Technology	0.72	0.05	6.94
Genting Malaysia	Consumer	2.29	0.16	6.90
UOA REITS	REIT	0.99	0.06	6.46
Paramount Corporation	Property	1.04	0.07	6.44
Tambun Indah Land	Property	0.95	0.06	6.35
Sports Toto	Consumer	1.55	0.10	6.32
RHB Bank	Finance	6.41	0.40	6.26

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		
3Ren Bhd	ACE Market	0.28	110.0	45.0	23 Oct	6 Nov
Azam Jaya Bhd	Main Market	0.78	78.8	50.0	24 Oct	11 Nov
Mega Fortris Bhd	Main Market	0.67	147.9	147.9	28 Oct	11 Nov
Life Water Bhd	Main Market	0.65	97.6	28.4	30 Oct	13 Nov
Metro Healthcare	ACE Market	0.25	156.6	-	04 Nov	15 Nov
Supreme Consolidated Bhd	ACE Market	0.25	70.0	-	15 Nov	29 Nov

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Published & Printed By:

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