



Daily Newswatch

Market Review

The FBM KLCI ended the day slightly positive at 1,604.0 (+0.1%) supported by a rally in plantation stock given the jump in CPO price to a fresh 28-month high last Friday. Among the index constituents, SDG (+7.6%), YTL (+2.9%) and AXIATA (+2.2%) were among the top three gainers. Sector-wise, the top gainers were Plantation (+2.8%), Utilities (+0.6%) and Property (+0%). Despite the positive close, the overall broader market breadth remained negative, with 543 decliners outpacing 430 gainers.

Economics

- US:** Manufacturing drops to 15-month low in October
- US:** Mortgage rates jump for fifth week, with 30-year reaching 6.7%
- China:** Stimulus package given manufacturing a shot in the arm, October PMI show
- Malaysia:** Manufacturing activity still soft in October amid muted demand, PMI data show

Companies

- Globetronics:** Chairman Kent Liaw quits APB Resources' board
- Pintaras Jaya:** Secures RM175m piling contracts in Singapore
- Axiata:** CEO of telco biz to join as chief advisor to Sri Lanka govt
- IHH:** Unit issues Islamic bonds totalling RM4bn
- Kimlun:** Secures RM128.5m contract to upgrade part of Senai-Desaru Expressway
- RGT:** Buys two properties for RM16.8m to expand production capacity
- Deleum:** Former Petronas director Ainul Azhar joins Deleum board
- Gamuda:** Wins RM451.4m job to build data centre in Cyberjaya

Upcoming key economic data releases

	Date
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	1,604.0	2.1	10.3
Dow Jones	42,052.2	0.7	11.6
Nasdaq CI	18,239.9	0.8	21.5
S&P 500	5,728.8	0.4	20.1
FTSE 100	8,177.2	0.8	5.7
Nikkei 225	38,053.7	(1,027.6)	13.7
Shanghai CI	3,272.0	(0.2)	10.0
HSI	20,506.4	0.9	20.3
STI	3,555.4	(0.1)	9.7

Market Activities	Last Close	% Chg
Vol traded (m shares)	2,180.1	(15.6)
Value traded (RM m)	2,961.1	30.8
Gainers	430	
Losers	543	
Unchanged	511	

Top 5 Volume	Last Close	Daily chg %	Vol (m)
MYEG	0.840	0.6	49.2
BPURI	0.300	(16.7)	36.9
ELRIDGE	0.480	9.1	29.9
CIMB	7.950	(0.5)	23.7
YTL	1.990	0.0	21.6

Top 5 Turnover	Last Close	Daily chg %	Val (RM m)
CIMB	7.950	(0.5)	23.7
MAYBANK	10.400	(1.0)	15.8
TENAGA	10.500	0.4	192.2
GAMUDA	8.540	1.5	165.4
PBBANK	4.420	(0.9)	119.6

Currencies	Last Close	% Chg
USD/MYR	4.375	0.0
USD/JPY	152.9	0.6
EUR/USD	1.0881	(0.5)
USD/CNY	7.122	0.0
US Dollar Index	104.32	0.4

Commodities	Last Close	% Chg
Brent (USD/barrel)	69.3	(1.7)
Gold (USD/troy oz)	2,736	(0.3)
CPO (MYR/metric t)	4,865	3.6
Bitcoin (USD/BTC)	68,400	(1.4)

Economics

US: Manufacturing drops to 15-month low in October

US manufacturing activity slumped to a 15-month low in October and factories faced higher prices for inputs. The Institute for Supply Management (ISM) said on Friday its manufacturing PMI fell to 46.5 last month, the lowest level since July 2023, from 47.2 in September. A PMI reading below 50 indicates contraction in the manufacturing sector, which accounts for 10.3% of the economy. The decline in the PMI could be reflecting a strike by factory workers at plane maker Boeing, which has halted the production of its best-selling 737 MAX as well as 767 and 777 wide-body programs. The labor strife contributed to depressing industrial production in September. (*Reuters*)

US: Mortgage rates jump for fifth week, with 30-year reaching 6.7%

Mortgage rates in the US rose for the fifth week in a row. The average for a 30-year, fixed loan was 6.7%, up from 6.5% last week, Freddie Mac said in a statement Thursday. Borrowing costs have climbed steadily since late September, when the 30-year average hit a two-year low of 6.1%. Higher mortgage rates are cutting deeper into purchasing power for house hunters already struggling to find affordable listings. Uncertainty over the outcome of the presidential election may also be keeping some would-be buyers on the fence. (*Bloomberg*)

China: Stimulus package given manufacturing a shot in the arm, October PMI show

China's first major economic indicators after authorities unveiled their recent stimulus push suggest the economy has stabilized somewhat, with manufacturing and housing sectors showing tentative signs of recovery. Both official and private measures of factory activity in October exceeded analyst expectations, while home sales saw their first rise this year. The data were the first to capture a full month's activity following Beijing's largest efforts to boost the economy since the Covid-19 pandemic. The Caixin manufacturing purchasing managers index (PMI) unexpectedly rose to 50.3 last month from 49.3 in September. The reading from Caixin and S&P Global on Friday followed official surveys showing factory activity ended five months of contraction in October. (*Bloomberg*)

Malaysia: Manufacturing activity still soft in October amid muted demand, PMI data show

Malaysia's manufacturing sector conditions remained soft in October, as firms scaled back production amid muted demand, S&P Global said on Friday. The seasonally adjusted manufacturing purchasing managers index (PMI) was 49.5 in October, unchanged from September's level, according to S&P Global that compiles the gauge. A reading above 50 points indicates activity expansion, while a reading below 50 points to contraction in the sector. (*The Edge*)

Companies

Globetronics: Chairman Kent Liaw quits APB Resources' board

The executive chairman of Globetronics Technology Bhd, Kent Liaw Way Gian, has resigned from the board of APB Resources Bhd, whose shares tanked shortly after Globetronics experienced heavy sell-down in September following the resignation of its external auditor. Liaw's resignation as executive director of APB Resources, which took immediate effect, was due to "personal reason and other commitments", the design process equipment maker said in a Friday bourse filing. (*The Edge*)

Pintaras Jaya: Secures RM175m piling contracts in Singapore

Piling and foundation specialist Pintaras Jaya Bhd has secured two piling contracts in Singapore worth about RM175m. The contracts, which are set to commence this month, were secured through Pintary Foundations Pte Ltd, a wholly-owned unit based in Singapore. The name of the client was not disclosed in Pintaras Jaya's filing with Bursa Malaysia on Friday. "The projects are to commence in November 2024 with construction periods of four and 30 months," said Pintaras Jaya, adding that the projects will contribute positively to the group's earnings for the financial year ending June 30, 2025. (*The Edge*)

Axiata: CEO of telco biz to join as chief advisor to Sri Lanka govt

Axiata Group Bhd said its chief executive officer (CEO) of telecommunications business Dr Hans Wijayasuriya will join as chief advisor to the government of Sri Lanka, to lead the country's digital economy agenda. In a bourse filing on Friday, Axiata said Wijayasuriya, who is also the group's executive director, will relinquish all his roles with effect from Jan 15, 2025. During the interim period, Axiata said Wijayasuriya's responsibilities to the group will continue, including the execution of a transition programme. In a statement on Friday, Axiata chairman Tan Sri Shahril Ridza Ridzuan highlighted that Wijayasuriya has been a pivotal force in shaping the company's strategic direction and nurturing a deep reservoir of talents within the group. (*The Edge*)

IHH: Unit issues Islamic bonds totalling RM4bn

IHH Healthcare Bhd said its indirect wholly-owned subsidiary, Pantai Holdings Sdn Bhd (PHSB), has successfully issued RM4bn worth of Islamic bonds. In the bourse filing, IHH said PHSB's Islamic Commercial Papers (ICP), with a tenure of 364 days, were taken up at RM1bn nominal value under private placement. Also taken up were PHSB's RM2bn Islamic Medium-Term Notes (IMTN) with a two-year tenure, and its RM1bn three-year tenure offering. The offerings are part of the RM15bn sukuk wakalah programmes that IHH said in September that PHSB was setting up. (*The Edge*)

Kimlun: Secures RM128.5m contract to upgrade part of Senai-Desaru Expressway

Kimlun Corp Bhd has secured an RM128.5m contract to upgrade a portion of the Senai-Desaru Expressway, following a tender. In a filing with Bursa Malaysia on Friday, Kimlun said its wholly-owned Kimlun Sdn Bhd won the bid to upgrade the stretch of the highway from Jambatan Sg Johor (KM49.3) to Sg. Semenchu (KM58.70). The construction work is expected to be completed in the second quarter of 2027. (*The Edge*)

RGT: Buys two properties for RM16.8m to expand production capacity

Hygiene care solutions maker RGT Bhd said on Friday it is buying two leasehold industrial plots for RM16.8m, located in Simpang Ampat, Penang, to set up dedicated assembly and production lines for new customers and to enhance its production efficiency. RGT is buying the properties from Permai Gas Sdn Bhd via its wholly-owned Rapid Growth Technology Sdn Bhd. A sale and purchase agreement for the purchase was inked on Friday. Both plots have 60-year leases on them. One of the plots, which has a three-storey office building with a single-storey open-sided factory erected on it, will see its lease expire on May 19, 2068. The other plot's lease is set to expire on May 3, 2069. (*The Edge*)



Deleum: Former Petronas director Ainul Azhar joins Deleum board

Deleum Bhd has appointed former Petronas director Ainul Azhar Ainul Jamal to the integrated upstream oil and gas outfit's board. Ainul Azhar has taken up an independent non-executive director post on its board effective Friday, according to Deleum's exchange filing. He previously sat on the board of Petronas between May 2018 and April 2023. "He was also the founding board member of Gentari, a wholly owned entity of Petronas," Deleum noted. *(The Edge)*

Gamuda: Wins RM451.4m job to build data centre in Cyberjaya

Gamuda Bhd has secured an RM451.4m contract to build a data centre in Cyberjaya. The contract will cover the data centre's foundational, civil, structural and architectural works, Gamuda said in an exchange filing. Works are expected to begin by December and be completed in the first quarter of 2026, the company said. The contract, a "fast-track project" awarded to a wholly-owned subsidiary of Gamuda by BCEI Malaysia Sdn Bhd, will begin to contribute to the current financial year ending July 31, 2025, Gamuda added. *(The Edge)*



Stock Selection Based on Dividend Yield

	Sector	Price (RM)	Dividend/Share (RM)	Dividend Yield (%)
British American Tobacco (M)	Consumer	7.21	0.61	8.40
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	7.74
Hektar REITS	REIT	0.54	0.04	7.29
MAG Holdings	Consumer	1.18	0.09	7.29
Magnum	Consumer	1.18	0.09	7.29
Amway (M)	Consumer	6.95	0.50	7.15
REXIT	Technology	0.71	0.05	7.04
Genting Malaysia	Consumer	2.25	0.16	7.02
Paramount Corporation	Property	1.03	0.07	6.50
Sports Toto	Consumer	1.52	0.10	6.45
UOA REITS	REIT	1.00	0.06	6.43
Tambun Indah Land	Property	0.94	0.06	6.38
Gas Malaysia	Utilities	3.74	0.23	6.28

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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