



Daily Newswatch

Market Review

The FBM KLCI closed at its intraday high on Monday at 1,616.4 (+0.8%), driven by bargain hunting in heavyweight stocks, particularly in the plantation and construction sectors. Among the index constituents, YTL (+4.0%), IOICORP (+3.4%) and KLK (+2.8%) were among the top three gainers. Sector-wise, the top gainers were led by Plantation (+1.7%), Construction (+1.6%) and Utilities (+0.9%). In summary, the overall broader market breadth turned positive, with 537 gainers outweighed 485 losers.

Economics

- EU:** Manufacturing slump shows signs of stabilising in October, PMIs show
- Malaysia:** Foreign selling of Malaysian equities accelerates to RM1.0bn net
- China:** Stimulus package given manufacturing a shot in the arm, October PMI show

Companies

- Bintai Kinden:** Clinches RM61m housing construction job in Melaka
- Tuju Setia:** Gets RM411m job to build mixed high-rise, landed homes
- Bina Puri:** Secures RM113m water pipeline construction contract in Sarawak
- SD Guthrie, AME Elite:** To jointly develop green industrial park in Kulai
- Genetec:** Sells its entire stake in subsidiary to ex-director
- Carimin Petroleum:** Gets five-year services contract from Shell
- Datasonic:** Buys 51% stake in Innov8tif Holdings from Revenue Group for RM40m cash
- Dayang:** Wins pan-Malaysia services contract from Shell
- Eldrich Energy:** Signs deal to supply biomass feedstock to Japanese company for 15 years

Upcoming key economic data releases

| | <u>Date</u> |
|------------------------------------|-------------|
| 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 | 1,616.4 | 0.8 | 11.1 |
| Dow Jones | 41,794.6 | (0.6) | 10.9 |
| Nasdaq CI | 18,180.0 | (0.3) | 21.1 |
| S&P 500 | 5,712.7 | (0.3) | 19.8 |
| FTSE 100 | 8,184.2 | 0.1 | 5.8 |
| Nikkei 225 | 38,053.7 | (2.6) | 13.7 |
| Shanghai CI | 3,310.2 | 1.2 | 11.3 |
| HSI | 20,567.5 | 0.3 | 20.6 |
| STI | 3,572.0 | 0.5 | 10.2 |

| Market Activities | Last Close | % Chg |
|-----------------------|------------|--------|
| Vol traded (m shares) | 2,416.4 | 10.8 |
| Value traded (RM m) | 2,152.3 | (12.0) |
| Gainers | 537 | |
| Losers | 485 | |
| Unchanged | 502 | |

| Top 5 Volume | Last Close | Daily chg % | Vol (m) |
|--------------|------------|-------------|---------|
| CEB | 0.345 | 11.3 | 78.2 |
| TAWIN | 0.015 | (40.0) | 64.8 |
| BAHVEST | 0.935 | 11.3 | 64.1 |
| PHB | 0.005 | (50.0) | 47.6 |
| SORENTO | 0.395 | 5.3 | 42.4 |

| Top 5 Turnover | Last Close | Daily chg % | Val (RM m) |
|----------------|------------|-------------|------------|
| CIMB | 8.040 | 1.1 | 159.3 |
| TNB | 14.080 | 1.3 | 108.7 |
| GAUMDA | 8.650 | 2.0 | 95.8 |
| KLK | 22.400 | 2.8 | 62.0 |
| PBBANK | 4.420 | (0.9) | 61.4 |

| Currencies | Last Close | % Chg |
|-----------------|------------|-------|
| USD/MYR | 4.374 | 0.2 |
| USD/JPY | 152.29 | (0.1) |
| EUR/USD | 1.0874 | (0.0) |
| USD/CNY | 7.1017 | 0.4 |
| US Dollar Index | 103.89 | (0.4) |

| Commodities | Last Close | % Chg |
|--------------------|------------|-------|
| Brent (USD/barrel) | 75.1 | 2.7 |
| Gold (USD/troy oz) | 2,736 | (0.0) |
| CPO (MYR/metric t) | 4,954 | (0.6) |
| Bitcoin (USD/BTC) | 67,833 | 1.1 |

Economics

EU: Manufacturing slump shows signs of stabilising in October, PMIs show

Eurozone manufacturing showed some signs of stabilisation in October as while activity contracted for a 28th month it did so at a shallower pace, according to a survey which showed an ongoing decline in demand had also eased. HCOB's final euro zone manufacturing Purchasing Managers' Index (PMI), compiled by S&P Global, rose to 46.0 in October, ahead of a 45.9 preliminary estimate but still below the 50-mark separating growth from contraction. An index measuring output, which feeds into a composite PMI due on Wednesday, seen as a good guide to economic health, jumped to 45.8 from 44.9 in September and was ahead of the 45.5 flash estimate. *(Reuters)*

Malaysia: Foreign selling of Malaysian equities accelerates to RM1.0bn net

The foreign outflow from Bursa Malaysia ramped up significantly over the past trading week to RM1.0bn net, which represents a fourfold increase from RM196.2m net in the week before. This was despite a holiday-shortened week due to the Deepavali holiday on Thursday. The cumulative outflow from the eight markets it monitors in the region reached US\$4.4bn, which is 3.5 times higher than the net outflow in the previous week. During the week, the market sectors that recorded the highest net foreign outflows were financial services (RM600.2m), utilities (RM190.9m) and consumer (RM86m). *(The Star)*

US: Trump's tariffs would reorder trade flows, raise costs, draw retaliation

Iowa farmer Bob Hemesath is worried that US agriculture will pay dearly if Donald Trump wins Tuesday's presidential election and makes good on a vow to swiftly impose a 60% tariff on Chinese goods and at least a 10% levy on all other imports. It could be a much worse rerun of the Republican former president's 2018-2019 trade war with China that hit US farm goods with retaliatory tariffs and shifted Beijing's purchases to Brazil and Argentina, said Hemesath, who grows corn and soybeans and raises hogs on 2,800 acres of land in northeastern Iowa. "When we start putting tariffs on others, usually the retaliatory tariffs end up on American agricultural products," said Hemesath, who chairs the Farmers for Free Trade advocacy group. *(Reuters)*

Companies

Bintai Kinden: Clinches RM61m housing construction job in Melaka

Bintai Kinden Corp Bhd has secured an RM61.2m contract for the construction of a housing project in Jasin, Melaka. The group received the contract from N&T Asset Sdn Bhd, the registered owner of the 38-acre land on which the project will be developed. The project involves construction of 30 single-story semi-detached houses, 90 single-story cluster semi-detached houses, 136 single-story terrace houses, six single-story bungalows and 13 single-story shop lot units. The contract requires the houses to be handed over within three years, which entails 12 months for the designing and approval from the necessary authorities, 18 months for construction and six months to obtain the Certificate of Completion and Compliance. *(The Edge)*

Tuju Setia: Gets RM411m job to build mixed high-rise, landed homes

Builder Tuju Setia Bhd has secured a construction contract worth RM411m to build serviced apartments and landed residential units in Kelana Jaya for the Sunway Serene 2 development project. The job was awarded to Tuju Setia's wholly-owned Pembinaan Tuju Setia Sdn (PTS) by Sunway Serene Sdn Bhd, a wholly-owned unit of Sunway Bhd. The contract involves the development of two blocks of 45-storey serviced apartments with nine levels of podium carparks and two levels of facilities and the landed properties comprise two rows of two-storey super link residential units and a row of three-storey super link residential units. *(The Edge)*

Bina Puri: Secures RM113m water pipeline construction contract in Sarawak

Bina Puri Holdings Bhd has bagged an RM113.3m contract to build water pipelines under the Serian Regional Phase 2 project in Sarawak. The contract was granted to its wholly-owned subsidiary Bina Puri Builder Sdn Bhd by Tokoh Ilham Sdn Bhd, said Bina Puri in a statement on Monday. The project, under the Sarawak Rural Water Supply Department, is expected to be completed by April 9, 2027. *(The Edge)*

SD Guthrie, AME Elite: To jointly develop green industrial park in Kulai

SD Guthrie Bhd has teamed up with property developer AME Elite Consortium Bhd to develop a green industrial park within the Johor-Singapore Special Economic Zone (JS-SEZ). The park will be developed on 641 acres of land in its estate in Kulai as a hub for high-value industries such as logistics, advanced manufacturing and clean technologies. It will feature a range of ready-built and built-to-suit factories. SD Guthrie signed a memorandum of understanding with AME Elite's wholly-owned unit, AME Industrial Park Sdn Bhd, on Monday to formalise the collaboration, which includes stringent environmental standards and sustainable practices, while a joint venture agreement is expected within the next five months. *(The Edge)*

Genetec: Sells its entire stake in subsidiary to ex-director

Genetec Technology Bhd has proposed to sell its 51% stake in CLT Engineering Sdn Bhd (CLT) to its former executive director Tan Moon Teik for RM21.6m cash. Tan already controls the remaining 49% stake in CLT, comprising a 45% direct stake and a 4% indirect stake through his spouse's shareholdings. Genetec, in a bourse filing, said it decided to sell the stake after taking into consideration CLT's declining revenue and unsatisfactory financial performance for the last three financial years caused by lower orders secured from customers in the hard disk drive and semiconductor-related products. *(The Edge)*

Carimin Petroleum: Gets five-year services contract from Shell

Carimin Petroleum Bhd has secured a five-year contract from Shell to provide maintenance, construction, modification, and hook-up and commissioning (HUC) services across Shell's offshore facilities in Malaysia. This contract covers skilled manpower, materials, and equipment for various projects, including topside maintenance, facility improvements, and riser repairs. The contract includes an option for a three-year extension, plus an additional two years. Carimin expects the contract to positively impact its future earnings. *(The Edge)*



Datasonic: Buys 51% stake in Innov8tif Holdings from Revenue Group for RM40m cash

Datasonic Group Bhd is acquiring a 51% stake in Innov8tif Holdings, an ID verification technology provider, from Revenue Group Bhd for RM40m. Innov8tif's technology will enhance Datasonic's services in digital customer onboarding and mobile biometric authentication. The acquisition includes a profit guarantee of RM2.5m for FY2025 and RM3m for FY2026. (*The Edge*)

Dayang: Wins pan-Malaysia services contract from Shell

Dayang Enterprise Holdings Bhd has secured a five-year contract from Shell to provide offshore maintenance, construction, modification, and hook-up commissioning services in Malaysia. The contract, awarded to its unit Dayang Enterprise Sdn Bhd, is effective from Oct 14 and includes optional extensions of up to five additional years. The contract value will be determined based on issued work orders. (*The Edge*)

Eldrich Energy: Signs deal to supply biomass feedstock to Japanese company for 15 years

Elridge Energy Holdings Bhd has signed a 15-year MOU with Japan's JFE Shoji Group to supply 150,000 tonnes of Green Gold Label certified palm kernel shells annually from April 2025 to March 2040. This long-term agreement is expected to positively impact Elridge's financial performance and reflects Japan's growing demand for certified biomass fuel. JFE Shoji chose Elridge as a reliable and cost-efficient partner to support markets in Japan and Thailand. (*The Edge*)



Stock Selection Based on Dividend Yield

| | Sector | Price (RM) | Dividend/Share (RM) | Dividend Yield (%) |
|------------------------------|------------|------------|---------------------|--------------------|
| Bermaz Auto | Consumer | 2.06 | 0.20 | 9.76 |
| British American Tobacco (M) | Consumer | 8.02 | 0.65 | 8.05 |
| 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 |
| Hektar REITS | REIT | 0.54 | 0.04 | 7.29 |
| Amway (M) | Consumer | 6.92 | 0.50 | 7.18 |
| MAG Holdings | Consumer | 1.20 | 0.09 | 7.17 |
| Magnum | Consumer | 1.20 | 0.09 | 7.17 |
| Genting Malaysia | Consumer | 2.26 | 0.16 | 6.99 |
| REXIT | Technology | 0.73 | 0.05 | 6.85 |
| UOA REITS | REIT | 0.99 | 0.06 | 6.46 |
| Paramount Corporation | Property | 1.05 | 0.07 | 6.38 |
| Sports Toto | Consumer | 1.58 | 0.10 | 6.33 |
| Tambun Indah Land | Property | 0.95 | 0.06 | 6.32 |

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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