



Daily Newswatch

Market Review

Last Friday, the FBM KLCI suffered continued selling pressure, leading the FBM KLCI to close below the 1,600 mark at 1,592.4(-0.5%), mirroring declines in regional markets. Among the index constituents, MRDIY (-13.3%), MISC (-4.4%) and QL (-2.7%) were the top 3 decliners. Among the sector, the top 3 negative performances were led by Consumer Products and Services (-1.4%), Technology (-1.3%) and Plantation (-0.8%). The overall broader market breadth remained bearish, with 577 losers outpacing 389 gainers.

Economics

- **US:** Strong US data feeds doubts about Fed December rate cut
- **US:** October industrial production falls on strike, hurricane disruptions
- **Malaysia:** Eases FX rules to allow foreign financial institutions to sell ringgit bonds
- **Japan:** BOJ may offer hints of next rate-hike timing in Ueda's closely watched speech

Companies

- **Sunsuria:** Buys 20% stake in Kg Sungai Baru developer for RM10m
- **Mudajaya:** Secures RM41m contract to build condo in Kuching
- **Sunmow:** Enters JV to develop 157-acre land in Sabah's Kinabatangan district
- **Petra Energy:** Bags offshore crane operation contract from Shell
- **Farm Price:** Aborts plan for bonus warrants a week after announcing it
- **Meta Bright:** Bags RM60m job to supply concrete to mixed development in Sabah

<u>Upcoming key economic data releases</u>	<u>Date</u>
EU – Oct 2024 Inflation Rate	19 Nov
Malaysia – Oct 2024 Inflation Rate	22 Nov
US – Oct 2024 PCE Index	27 Nov
US – Nov 2024 PMI	29 Nov

Key Indices	Last Close	Daily chg %	YTD chg %
FBM KLCI	1,592.4	(0.5)	9.5
Dow Jones	43,445.0	(0.7)	15.3
Nasdaq CI	18,680.1	(2.2)	24.4
S&P 500	5,870.6	(1.3)	23.1
FTSE 100	8,063.6	(0.1)	4.3
Nikkei 225	38,642.9	0.3	15.5
Shanghai CI	3,330.7	(1.5)	12.0
HSI	19,426.3	(0.0)	14.0
STI	3,744.7	0.2	15.6

Market Activities	Last Close	% Chg
Vol traded (m shares)	2,705.7	(14.0)
Value traded (RM m)	2,661.1	(1.1)
Gainers	389	
Losers	577	
Unchanged	522	

Top 5 Volume	Last Close	Daily chg %	Vol (m)
METRO	0.255	2.0	152.9
ARMADA	0.535	7.0	84.7
MRDIY	1.820	(13.3)	73.1
CEB	0.395	3.9	46.1
3REN	0.405	0.0	32.6

Top 5 Turnover	Last Close	Daily chg %	Val (RM m)
CIMB	8.190	(0.1)	163.3
MRDIY	1.820	(13.3)	139.0
TENAGA	14.200	(0.7)	136.0
MAYBANK	10.360	0.6	134.3
GAMUDA	8.700	(0.2)	112.8

Currencies	Last Close	% Chg
USD/MYR	4.4748	0.2
USD/JPY	154.3	1.3
EUR/USD	1.054	0.1
USD/CNY	7.2294	(0.0)
US Dollar Index	106.69	0.0

Commodities	Last Close	% Chg
Brent (USD/barrel)	71.0	(2.1)
Gold (USD/troy oz)	2,563	(0.1)
CPO (MYR/metric t)	5,119	2.3
Bitcoin (USD/BTC)	90,788	(0.3)

Economics

US: Strong US data feeds doubts about Fed December rate cut

Strong US economic and inflation data continue to reshape the debate among Federal Reserve (Fed) policymakers over the pace and extent of interest rate cuts as investors on Friday further downgraded their expectations for a rate reduction at the central bank's December meeting. In the latest round of comments on US monetary policy, US central bankers continued to express faith that inflation was coming under control and would allow the central bank to lower its benchmark rate over time from the current 4.5%-4.75% range, a level felt to discourage spending and investment, to a more neutral setting. *(Reuters)*

US: October industrial production falls on strike, hurricane disruptions

US industrial production declined in October as the impacts from a Boeing Co machinists' strike and a pair of hurricanes reverberated through manufacturing for a second month. The 0.3% decline in output at factories, mines and utilities followed a revised 0.5% decrease a month earlier, Federal Reserve data showed on Friday. Manufacturing output, which accounts for about three-fourths of total industrial production, slid another 0.5%, after a revised 0.3% drop the previous month. Mining and energy extraction rose 0.3%, while output at utilities climbed 0.7%, the most in four months. *(Bloomberg)*

Malaysia: Eases FX rules to allow foreign financial institutions to sell ringgit bonds

Malaysia's central bank liberalised foreign exchange rules on Friday to make it easier for international financial institutions to issue ringgit-denominated bonds and sukuk in the country. Under the change, multilateral development banks and non-resident development financial institutions are free to issue ringgit-denominated debt securities in Malaysia, and provide financing to domestic corporates, according to Bank Negara Malaysia (BNM). "All this while, they needed to seek approval (from BNM) to issue ringgit-denominated debt securities; now, they can just go ahead and do it," said BNM deputy governor Adnan Zaylani Mohamad Zahid at a press conference in conjunction with release of the latest gross domestic product data. *(Bloomberg)*

Japan: BOJ may offer hints of next rate-hike timing in Ueda's closely watched speech

Bank of Japan (BOJ) governor Kazuo Ueda will deliver a speech and hold a news conference in the central Japan city of Nagoya next Monday, the BOJ said, an event that will be closely watched by markets for hints on whether it might raise interest rates next month. It will be Ueda's first opportunity to speak directly on monetary policy since Donald Trump's victory in the US presidential election on Nov 5, and follows Japan's third-quarter gross domestic product (GDP) data, which showed surprising resilience in consumption. Ueda's comments will be scrutinised by markets for clues on how soon the BOJ could raise interest rates again, with analysts divided on whether it may come in December or January next year. *(Reuters)*

Companies

Sunsuria: Buys 20% stake in Kg Sungai Baru developer for RM10m

Sunsuria Bhd said it is acquiring a 20% stake in property developer KL City Gateway Sdn Bhd (KLCG) for RM10.5m and will inject about RM40m in shareholder advances to the company. Sunsuria on Friday entered into an agreement with Scenic Starhill Sdn Bhd to acquire the 20% stake in KLCG, which is the developer of a 9.7-acre site in Kampung Sungai Baru. Kampung Sungai Baru is located in Kampung Baru in the heart of Kuala Lumpur. Upon completion of the stake acquisition, the shareholders of KLCG will be Suez Capital Sdn Bhd (holding a 56% stake), followed by Sunsuria (20%), Transworld Equity Sdn Bhd (12.8%), Yedor Holdings Sdn Bhd (5%), Yeoh Ah Tu (5%) and Scenic Starhill (1.3%). *(The Edge)*

Mudajaya: Secures RM41m contract to build condo in Kuching

Mudajaya Group Bhd has bagged a contract worth RM41.3m for the construction of a 17-storey condominium in Kuching, Sarawak. The group said its wholly-owned subsidiary, Mudajaya Corp Bhd, was awarded the contract on Friday by MJC City Development Sdn Bhd. The project, comprising 128 units at the Batu Kawah new township, is expected to be completed within 22 months. *(The Edge)*

Sunmow: Enters JV to develop 157-acre land in Sabah's Kinabatangan district

LEAP Market-listed Sunmow Holding Bhd has proposed to undertake a mixed development on 157-acre land in Pekan Kota Kinabatangan, Sabah, with an estimated gross development value of RM366m. Sunmow via its wholly-owned subsidiary, Sunmow Construction Sdn Bhd (SCSB), has entered into a joint venture agreement with Kinabatangan District Council for the proposed development. Under the agreement, the council contributes the land for the project while SCSB as the developer, constructs, finances, and sells the units in the project at its own costs and expenses. *(The Edge)*

Petra Energy: Bags offshore crane operation contract from Shell

Petra Energy Bhd has secured a four-year contract from Sarawak Shell Bhd and Sabah Shell Petroleum Company Ltd for the provision of offshore crane operations and maintenance services. No fixed value was stated in the letter of award to its subsidiary Petra Resources Sdn Bhd, Petra Energy said in a bourse filing on Friday. The company expects the award to contribute positively to its earnings and net assets during the tenure of the contract. *(The Edge)*

Farm Price: Aborts plan for bonus warrants a week after announcing it

Vegetable supplier Farm Price Holdings Bhd has scrapped its recently announced plan for a one-for-two bonus issue of warrants, saying it will revisit the plan next year instead. "After further deliberation, the company has decided not to proceed with the proposed bonus issue of warrants and will revisit the same in the second quarter of 2025," Farm Price said in a bourse filing on Friday, without explaining further. The initial proposal, which it announced just last week on Nov 7 to reward shareholders, involved issuing up to 225m warrants on the basis of one warrant for every two shares held by shareholders. The exercise price was set at 50 sen per warrant, a 6.94% discount to the five-day volume-weighted average price of Farm Price shares of 53.73 sen as of Nov 6. *(The Edge)*

Meta Bright: Bags RM60m job to supply concrete to mixed development in Sabah

Meta Bright Group Bhd a diversified Main-Market listed company, has secured a RM60m contract to supply ready-mixed concrete for the 88 Avenue mixed-development project in Kota Kinabalu, Sabah. The five-year contract was awarded to its 70%-owned unit Expogaya Sdn Bhd, who will supply the concrete to Megamas Jaya Sdn Bhd and its appointed procurement representative, Pembekal Mewah Enterprise Sdn Bhd, according to a statement released on Friday. *(The Edge)*



Stock Selection Based on Dividend Yield

	Sector	Price (RM)	Dividend/Share (RM)	Dividend Yield (%)
Bermaz Auto	Consumer	2.00	0.20	10.05
Sentral REIT	REIT	0.80	0.06	8.05
KIP REIT	REIT	0.91	0.07	7.91
Hektar REITS	REIT	0.53	0.03	6.42
British American Tobacco (M)	Consumer	8.03	0.60	7.42
Datasonic Group	Technology	0.40	0.03	7.50
MAG Holdings	Consumer	1.20	0.09	7.17
Magnum	Consumer	1.20	0.09	7.17
Amway (M)	Consumer	6.87	0.50	7.23
Genting Malaysia	Consumer	2.11	0.16	7.49
Sports Toto	Consumer	1.54	0.10	6.75
UOA REITS	REIT	0.99	0.06	6.46
Paramount Corporation	Property	1.05	0.07	6.38
Tambun Indah Land	Property	0.92	0.06	6.52
REXIT	Technology	0.79	0.05	6.33

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		
Supreme Consolidated Bhd	ACE Market	0.25	70.0	-	15 Nov	29 Nov
Cropmate Bhd	ACE Market	0.20	260.0	-	22 Nov	5 Dec

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