



# Daily Newswatch

## Market Review

The FBM KLCI rebounded to regain the 1,600-point level closing at 1,604 (+0.7%) despite mixed performances in regional markets. Among the index constituents, PMETAL (+7.0%), MAXIS (+3.8%) and SDG (+2.3%) were the top 3 gainers. Among the sector, the top 3 positive performances were led by Industrial Products and Services (+1.2%), Plantation (+1.0%) and Construction (+1.2%). Nevertheless, the overall broader market breadth remained bearish, with 529 losers outpacing 484 gainers.

## Economics

- **Japan:** BOJ sees progress in wage-driven inflation, keeps December rate hike on table
- **US:** October industrial production falls on strike, hurricane disruptions
- **Malaysia:** HR Ministry to allocate RM3bn to upskill Malaysian workforce amid tech advancements

## Companies

- **UEM Sunrise:** Secures development approval for its first project in Perth
- **MMAG:** Gets GN3 status waiver from Bursa Securities
- **EA Technique:** Secures three contract extensions worth nearly RM64m
- **Mercury Industries:** Lagenda Properties, Epicon major shareholder triggers takeover offer of Mercury Industries
- **Trive Properry:** Proposes RM85m share capital reduction
- **Nestcon:** Secures RM32m contract for mixed-use development in Damansara Perdana
- **AWC:** Secures RM49m maintenance contract in Putrajaya

<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	1,604.0	0.7	10.3
Dow Jones	43,389.6	(0.1)	15.1
Nasdaq CI	18,791.8	0.6	25.2
S&P 500	5,893.6	0.4	23.6
FTSE 100	8,109.3	0.6	4.9
Nikkei 225	38,220.9	(1.1)	14.2
Shanghai CI	3,323.8	(0.2)	11.7
HSI	19,576.6	0.8	14.8
STI	3,732.6	(0.3)	15.2

Market Activities	Last Close	% Chg
Vol traded (m shares)	2,959.4	9.4
Value traded (RM m)	2,230.2	(16.2)
Gainers	484	
Losers	529	
Unchanged	486	

Top 5 Volume	Last Close	Daily chg %	Vol (m)
CLASSITA	0.065	0.0	138.7
EAH	0.005	0.0	137.9
TOPGLOV	1.110	0.9	28.1
JPG	1.380	3.8	26.3
CEB	0.380	(3.8)	23.1

Top 5 Turnover	Last Close	Daily chg %	Val (RM m)
CIMB	8.210	0.2	172.1
MAYBANK	10.340	(0.2)	94.6
TENAGA	14.360	1.1	73.2
SUNWAY	4.720	1.7	62.5
PMETAL	4.690	6.6	62.3

Currencies	Last Close	% Chg
USD/MYR	4.4792	(0.1)
USD/JPY	154.56	0.1
EUR/USD	1.0597	(0.0)
USD/CNY	7.232	(0.0)
US Dollar Index	106.28	(0.4)

Commodities	Last Close	% Chg
Brent (USD/barrel)	73.3	3.2
Gold (USD/troy oz)	2,613	0.0
CPO (MYR/metric t)	4,978	0.1
Bitcoin (USD/BTC)	90,557	(0.9)

## Economics

### **Japan: BOJ sees progress in wage-driven inflation, keeps December rate hike on table**

Bank of Japan governor Kazuo Ueda said the economy was progressing towards sustained wages-driven inflation and warned against keeping borrowing costs too low, leaving open the chance of another interest rate hike as early as next month. In a sign the BOJ was likely to push rates up again soon, Ueda said the bank must whittle down stimulus in a timely fashion as keeping real interest rates low for too long could accelerate inflation more than expected. Markets were keeping a close eye on the governor's comments on Monday, which were his first on monetary policy since Donald Trump's victory in the US presidential election on Nov 5. *(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: HR Ministry to allocate RM3bn to upskill Malaysian workforce amid tech advancements**

The Human Resources Ministry (KESUMA) is allocating RM3bn starting in 2025 to strengthen the local workforce and its adaptability in response to rapid technological advancements and changing industry demands, said its minister Steven Sim Chee Keong. Sim said on Monday that the allocation will be channelled through a range of support measures, including levies, credits, scholarships and matching grants. *(The Edge)*

## Companies

### **UEM Sunrise: Secures development approval for its first project in Perth**

UEM Sunrise Bhd has received development approval for its 0.49ha site in Perth, Australia for a mixed-use development with a gross development value potential of A\$450m. In a press statement issued on Monday, the developer said that the approval, which involved Lots 1 and 2 at The Oval within Subiaco East, was issued by Western Australian State Government's central land and development agency, Development WA. It is also the first mixed-use project approved within the Subiaco East masterplan. (*The Edge*)

### **MMAG: Gets GN3 status waiver from Bursa Securities**

MMAG Holdings Bhd has been granted a waiver by Bursa Securities from being classified as an affected listed company under Guidance Note 3 (GN3). The approval of the waiver from the GN3 classification — typically assigned to financially distressed ACE Market-listed companies — was given on Nov 15, said MMAG. "Further to the approval, the company will continue to take necessary steps to strengthen the financial position of the group, while ensuring compliance with the ACE Market Listing Requirements of Bursa Securities. (*The Edge*)

### **EA Technique: Secures three contract extensions worth nearly RM64m**

EA Technique (M) Berhad, a marine transportation and offshore storage company, has secured three contract extensions valued at RM63.9m from Petronas. The largest of the extensions is worth RM41m for tugboat services followed by two emergency standby vessel (ESV) services with a combined value of RM22.9m, EA Technique said in a statement. All three agreements, each spanning two years, are set to start in November. "These contracts, as part of our ongoing portfolio, demonstrate the value of recurring projects in contributing to a stable revenue base and ensuring operational continuity," executive director Datuk Mubarak Hussain Akhtar Husin said in a statement. (*The Edge*)

### **Mercury Industries: Lagenda Properties, triggers takeover offer of Mercury Industries**

A major shareholder of Lagenda Properties Bhd and Epicon Bhd has triggered a takeover offer for Mercury Industries Bhd after having purchased over half of the contractor's equity interest. According to a bourse filing, Datuk Doh Tee Leong — via his investment vehicle Bright Meadow Sdn Bhd — acquired an aggregate 59.9% stake (38.5m shares) in Mercury Industries from various vendors for RM34.7m or 90 sen per share on Monday. The purchase triggers an unconditional mandatory takeover offer for Doh to acquire the remaining 40.1% stake (25.8m shares) in Mercury Industries at 90 sen apiece or a cumulative RM23.2m. (*The Edge*)

### **Trive Property: Proposes RM85m share capital reduction**

Trive Property Group Bhd has proposed a share capital reduction to wipe out RM85m of the company's accumulated losses, in a move designed to better align its financial position with its actual asset base. This step, according to a bourse filing on Monday, is intended to enhance the credibility of the group with its bankers, investors, customers, and other stakeholders. As of Nov 8, 2024, Trive has an issued share capital of RM196m, consisting of 1.3bn ordinary shares and 505.5m outstanding warrants. These warrants are exercisable into an equivalent number of new shares at an exercise price of five sen per share. (*The Edge*)

**Nestcon: Secures RM32m contract for mixed-use development in Damansara Perdana**

Nestcon Bhd's wholly owned subsidiary Nestcon Infra Sdn Bhd has received a letter of award for rock blasting and general works required for road and drainage systems. In a bourse filing on Monday, the construction outfit stated the works awarded are related to a large-scale mixed-use development in Damansara Perdana, Selangor. The value of the contract is RM31.6m. The development also includes affordable homes, business spaces, a hotel, a private school, and other facilities, located on multiple parcels of land. *(The Edge)*

**AWC: Secures RM49m maintenance contract in Putrajaya**

Engineering services provider AWC Bhd has secured an RM48.6m contract to provide facilities management and maintenance services at Menara Seri Wilayah in Putrajaya. The contract was awarded by the Putrajaya Public Works Department (JKR) to AWC's wholly owned subsidiary, Ambang Wira Facilities Sdn Bhd, said the company in the filing to Bursa Malaysia. AWC said the five-year contract will run from Dec 12, 2024, to Dec 11, 2029, and it expects the contract to contribute positively to its earnings throughout the 60-month tenure. AWC's order book has now exceeded RM700m, including the latest contract win, with its tender book remaining healthy at over RM1 billion across all business divisions, AWC said in a statement. *(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		
<a href="#">Supreme Consolidated Bhd</a>	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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