



Daily Newswatch

Market Review

The FBM KLCI ended Monday on a positive note at 1,597.5 (+0.5%), buoyed by strong performances in banking stocks. Investor attention remains focused on corporate earnings as the reporting season enters its final phase this week. Among the index constituents, all the banking counters ended in green and the overall positive performance were led by YTLPOWER (+5.5%), YTL (+4.5%) and HLBANK (+2.0%). Sector wise, Technology (+2.0%) was the best-performing sector especially with gains seen in technology index heavyweight counters such as INARI (+2.4%), VITROX (+6.9%) and GREATEC (+3.4%). The overall broader market breadth were quite balanced, with 540 losers matching 501 gainers.

Economics

- **Singapore:** Core inflation at weakest pace in almost three years
- **Malaysia:** Malaysia-South Korea free trade agreement will be finalised next year
- **EU:** ECB policy should not remain restrictive for too long
- **Malaysia:** Short-term rates set to remain stable on BNM operations
- **US:** Gold tumbles as traders mull treasury pick and Fed outlook

Companies

- **Infomina:** Wins RM27.3m IT contracts from Land Bank of the Philippines
- **RHB:** Exits Thai securities market with RM161.81m divestment to Phillip Brokerage
- **IJM:** Announces RM283m deal to buy 50% stake in UK-based JRL
- **Radium Development:** Buys 13-acre land in Cheras for RM458m
- **Haily:** Wins RM115m construction contract
- **Key Asics:** Signs RM10m ASIC design contract
- **Petronas Dagangan:** Posts 81.4% profit surge in 3Q24
- **Privasia Tech:** Secures RM4.5m contract with Health Ministry
- **Affin Bank:** Sees 27% stake traded at a discount in off-market deals valued at RM1.78bn

Upcoming key economic data releases

Date

US – Oct 2024 PCE Index 27 Nov

US – Nov 2024 PMI 29 Nov

Key Indices	Last Close	Daily chg %	YTD chg %
FBM KLCI	1,597.5	0.5	9.8
Dow Jones	44,736.6	1.0	18.7
Nasdaq CI	19,054.8	0.3	26.9
S&P 500	5,987.4	0.3	25.5
FTSE 100	8,291.7	0.4	7.2
Nikkei 225	38,780.1	1.3	15.9
Shanghai CI	3,263.8	(0.1)	9.7
HSI	19,151.0	(0.4)	12.3
STI	3,731.4	(0.4)	15.2

Market Activities	Last Close	% Chg
Vol traded (m shares)	3,009.4	16.2
Value traded (RM m)	5,395.9	136.2
Gainers	501	
Losers	540	
Unchanged	479	

Top 5 Volume	Last Close	Daily chg %	Vol (m)
SUNWAY	5.020	0.6	83.1
CIMB	8.380	1.9	82.0
PBBANK	4.450	1.6	54.6
CNASIA	0.070	(6.7)	48.7
YTL	1.850	4.5	46.9

Top 5 Turnover	Last Close	Daily chg %	Val (RM m)
CIMB	8.380	1.9	686.3
TENAGA	14.040	0.3	503.5
SUNWAY	5.020	0.6	417.9
MAYBANK	10.300	1.0	284.6
PBBANK	4.450	1.6	243.0

Currencies	Last Close	% Chg
USD/MYR	4.4532	0.3
USD/JPY	154.13	0.1
EUR/USD	1.0496	0.0
USD/CNY	7.2462	(0.0)
US Dollar Index	106.89	(0.6)

Commodities	Last Close	% Chg
Brent (USD/barrel)	73.2	(2.7)
Gold (USD/troy oz)	2,625	0.0
CPO (MYR/metric t)	4,808	(0.4)
Bitcoin (USD/BTC)	93,975	0.3



Economics

Singapore: Core inflation at weakest pace in almost three years

Singapore's core inflation in October slowed to the weakest pace since December 2021, as healthcare and recreation price gains eased. The core measure, which excludes housing and private transportation costs, rose 2.1% last month from a year earlier, government data showed Monday. That's lower than the median estimate of 2.5% in a *Bloomberg News* survey. Headline inflation came in at 1.4%, the slowest pace since March 2021, the data showed. That was slower than the 1.8% median estimate in a *Bloomberg News* survey. The non-seasonally adjusted monthly measure fell 0.3%. (*Bloomberg*)

Malaysia: Malaysia-South Korea free trade agreement will be finalised next year

The Malaysia-Korea Free Trade Agreement (FTA) will be finalised next year, with both countries committed to speeding up any stalled negotiations. Prime Minister Datuk Seri Anwar Ibrahim said the agreement is expected to be signed during the return visit of South Korean President Yoon Suk Yeol to Malaysia. According to Anwar, who is on a three-day official visit to South Korea, the negotiations have been delayed since 2019 due to the political instability that hit Malaysia at the time, but the domestic business and political scenario now is better. Anwar also highlighted Malaysia's attractiveness as a trading country with a clear policy to increase the economic potential of the country and the Asean region as a whole. (*Bernama*)

EU: ECB policy should not remain restrictive for too long

There is still some way to go before eurozone inflation is sustainably back at 2% but European Central Bank (ECB) policy should not remain restrictive for too long, otherwise price growth could fall below target, Philip Lane, the bank's chief economist said in an interview. Eurozone inflation has fallen rapidly in recent months, and policymakers are now debating when they could declare victory and whether the current pace of rate cuts is still appropriate. "Monetary policy should not remain restrictive for too long," French newspaper *Les Echos* quoted Lane as saying on Monday. "Otherwise, the economy will not grow sufficiently and inflation will, I believe, fall below the target." (*Reuters*)

Malaysia: Short-term rates set to remain stable on BNM operations

Short-term rates are expected to remain stable on Monday on Bank Negara Malaysia's (BNM) operations to absorb surplus liquidity from the financial system. Liquidity is estimated at RM30.7bn in the conventional system and RM18.6bn in Islamic funds. On Monday, the central bank will conduct three reverse repo tenders comprising a RM2bn tender for seven days, a RM1.5bn tender for 31 days and RM1.2bn for 92 days. (*Bernama*)

US: Gold tumbles as traders mull Treasury pick and Fed outlook

Gold prices fell by up to 2.1% on Monday, despite weaker US dollar and bond yields, as traders digested the appointment of Scott Bessent as Treasury Secretary. The choice of Bessent, seen as stabilizing for the US economy, eased concerns over inflationary policies and reduced gold's appeal as a hedge against rising prices. Investors are now focused on upcoming US data, including the Federal Reserve's next rate decision, which may impact gold's performance as it has gained 30% this year amid geopolitical risks and central bank actions. (*Bloomberg*)

Companies

Infomina: Wins RM27.3m IT contracts from Land Bank of the Philippines

Infomina Bhd has bagged a three-year purchase order (PO) from the Philippines' state-owned banking group the Land Bank of the Philippines worth RM27.3m. The technology solutions provider said under the PO, its subsidiary, Infomina Philippines Inc will deliver technology application and infrastructure operations, maintenance, and support services to LandBank commencing from Nov 30, 2024 until Nov 30, 2027. (*The Edge*)

RHB: Exits Thai securities market with RM161.81m divestment to Phillip Brokerage

RHB Bank Bhd will be divesting its entire 99.95% stake in RHB Securities (Thailand) Public Company Ltd to Singapore-based stock brokerage firm Phillip Brokerage Pte Ltd for THB1,253.8m (RM161.8m), marking its exit from Thailand's stockbroking and securities market. The stake is currently held via its wholly owned RHB Investment Bank Bhd. The divestment is expected to be completed by the fourth quarter of 2024, subject to the approval of Thailand's Securities and Exchange Commission. The proposed disposal is not subject to the approval of the shareholders of RHB Bank or any relevant regulatory authority in Malaysia. (*The Edge*)

IJM: Announces RM283m deal to buy 50% stake in UK-based JRL

IJM Corporation Bhd said it is buying a 50% stake in UK-based construction firm JRL Group Holdings Ltd for £50m (RM283m) to expand into the UK and strengthen its core construction capabilities. In a media release, IJM Corp said the transaction involves its subscription to 50% of the enlarged equity interest in JRL. The fresh capital injected by IJM Corp will help strengthen JRL's balance sheet, enhance liquidity for working capital, and support future growth. (*The Edge*)

Radium Development: Buys 13-acre land in Cheras for RM458m

Radium Development Bhd said it is acquiring 13 acres of leasehold land in Cheras — which will be used for mixed development — for RM458m. The company is acquiring the land from Dupion Development Sdn Bhd in a related-party deal. Dupion Development is owned equally by Jakel Development Sdn Bhd and Platinum Victory (WM) Sdn Bhd, a firm controlled by Tan Sri Gan Yu Chai, who is the brother of Radium managing director Datuk Gary Gan Kah Siong. Yu Chai is also the managing director of Southern Score Builders Bhd. Radium said 70% or RM320.6m of the purchase price will be financed using bank borrowings and the remaining 30% or RM137.4m using internally generated funds. It added that its gearing level is expected to increase to 0.46 times from 0.05 times, as its total borrowings will rise to RM361m from RM40.5m. (*The Edge*)

Haily: Wins RM115m construction contract

Haily Group Bhd has accepted a letter of award (LoA) from Permas Jaya Sdn Bhd for the construction and completion for two phases of a residential project in Johor Baru, Johor, worth RM115.1m. In a filing with Bursa Malaysia, Haily said the project will primarily involve the development of double storey cluster houses, semi-detached as well as double storey bungalow houses. Haily said the contract is a "fixed lump sum contract" and shall not be subject to any fluctuation in costs. (*The Star*)

Key Asics: Signs RM10m ASIC design contract

Key Asic Bhd has secured a significant contract with R Company, worth over RM10m over three years. The agreement involves two main components: a non-recurring engineering (NRE) fee for intellectual property licensing and design services, and revenue from the mass production of semiconductor chips. (*The Star*)

Petronas Dagangan: Posts 81.4% profit surge in 3Q24

Petronas Dagangan Bhd (PetDag) is focusing on streamlining operations, improving efficiency, and expanding both its core and non-fuel segments. This includes leveraging Setel and enhancing Mesra's offerings for a better customer experience. Despite a slight dip in revenue, PetDag posted strong financial results for the third quarter of 2024 (3Q24), with a net profit surge of 81.4% to RM335.1m, driven by strong margins and higher volumes from retail motor gasoline and aviation sectors. For the first nine months of 2024, PetDag saw a 9.8% increase in net profit and a 5.4% rise in revenue. The company has declared an interim dividend of 24 sen per share. (*The Star*)

Privasia: Secures RM4.5m contract with Health Ministry

Privasia Technology Bhd's subsidiary, Privasia Sdn Bhd, has secured an RM4.5m contract from the Health Ministry. The contract involves providing ICT equipment and a laboratory information system (LIS) at Selayang Hospital, covering planning, design, supply, installation, and testing. The project spans 36 months, from Nov 22, 2024, to Nov 21, 2027. (*The Star*)

Affin Bank: Sees 27% stake traded at a discount in off-market deals valued at RM1.78bn

On Monday, 647.13m shares of Affin Bank, representing 26.96% of the company, were traded off-market for RM1.78bn, at a discount of 4.05% to 17% compared to the last closing price. The Sarawak state government, through its subsidiary SG Assetfin Holdings, is acquiring 634.7m shares from LTAT and Boustead Holdings, increasing its stake in Affin to 31.25%. Affin Bank reported a 45% rise in net profit to RM145.82m for Q3 FY2024, driven by higher net interest income, fee income, and writebacks of credit impairment losses. For the first nine months of 2024, Affin's net profit rose 3.3% to RM374.61m, with cumulative revenue of RM1.61bn. (*The Edge*)



Stock Selection Based on Dividend Yield

	Sector	Price (RM)	Dividend/Share (RM)	Dividend Yield (%)
Bermaz Auto	Consumer	2.13	0.20	9.44
Sentral REIT	REIT	0.79	0.06	8.10
British American Tobacco (M)	Consumer	7.37	0.60	8.09
KIP REIT	REIT	0.90	0.07	8.04
Datasonic Group	Technology	0.39	0.03	7.69
Genting Malaysia	Consumer	2.16	0.16	7.41
Amway (M)	Consumer	6.90	0.50	7.20
MAG Holdings	Consumer	1.22	0.09	7.05
Magnum	Consumer	1.22	0.09	7.05
Sports Toto	Consumer	1.57	0.11	6.88
CapitaLand Malaysia Trust	REIT	0.65	0.04	6.62
REXIT	Technology	0.77	0.05	6.49
Hektar REITS	REIT	0.53	0.03	6.48
Paramount Corporation	Property	1.06	0.07	6.32
UOA REITS	REIT	0.98	0.06	6.22

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
TMK Chemical Bhd	Main Market	1.75	220.0	-	29 Nov	12 Dec
TopVision Eye Specialist Bhd	ACE Market	0.33	54.2	-	3 Dec	16 Dec

Disclaimer & Disclosure of Conflict of Interest

The information contained in this report is based on data obtained from data and sources believed to be reliable at the time of issue of this report. However, the data and/or sources have not been independently verified and as such, no representation, express or implied, are made as to the accuracy, adequacy, completeness or reliability of the information or opinions in this report.

This report may contain forward-looking statements which are often but not always identified by the use of words such as “believe”, “estimate”, “intend” and “expect” and statements that an event or result “may”, “will” or “might” occur or be achieved and other similar expressions. Such forward-looking statements are based on assumptions made and information currently available to Mercury Securities Sdn Bhd. (“Mercury Securities”) and are subject to known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievement to be materially different from any future results, performance or achievement, expressed or implied by such forward-looking statements. Caution should be taken with respect to such statements and recipients of this report should not place undue reliance on any such forward-looking statements. Mercury Securities expressly disclaims any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or circumstances after the date of this publication or to reflect the occurrence of unanticipated events.

Accordingly, neither Mercury Securities nor any of its holding company, related companies, directors, employees, agents and/or associates nor person connected to it accept any liability whatsoever for any direct, indirect, or consequential losses (including loss of profits) or damages that may arise from the use or reliance on the information or opinions in this publication. Any information, opinions or recommendations contained herein are subject to change at any time without prior notice. Mercury Securities has no obligation to update its opinion or the information in this report.

This report does not have regard to the specific investment objectives, financial situation and particular needs of any specific person. Accordingly, investors are advised to make their own independent evaluation of the information contained in this report and seek advice from, amongst others, tax, accounting, financial planner, legal or other business professionals regarding the appropriateness of investing in any securities or the investment strategies discussed or recommended in this report. Nothing in this report constitutes investment, legal, accounting or tax advice or a representation that any investment or strategy is suitable or appropriate to your individual circumstances or otherwise represents a personal recommendation to you. This report is not intended, and should not under no circumstances be considered as an offer to sell or a solicitation of any offer or a solicitation or expression of views to influence any one to buy or sell the securities referred to herein or any related financial instruments.

Mercury Securities and its holding company, related companies, directors, employees, agents, associates and/or person connected with it may, from time to time, hold any positions in the securities and/or capital market products (including but not limited to shares, warrants and/or derivatives), trade or otherwise effect transactions for its own account or the account of its customers or be materially interested in any securities mentioned herein or any securities related thereto, and may further act as market maker or have assumed underwriting commitment or deal with such securities and provide advisory, investment, share margin facility or other services for or do business with any companies or entities mentioned in this report. In reviewing the report, investors should be aware that any or all of the foregoing among other things, may give rise to real or potential conflict of interests and should exercise their own judgement before making any investment decisions.

This research report is being supplied to you on a strictly confidential basis solely for your information and is made strictly on the basis that it will remain confidential. All materials presented in this report, unless specifically indicated otherwise, are under copyright to Mercury Securities. This research report and its contents may not be reproduced, stored in a retrieval system, redistributed, transmitted, or passed on, directly or indirectly, to any person or published in whole or in part, or altered in any way, for any purpose.

This report may provide the addresses of, or contain hyperlinks to websites. Mercury Securities takes no responsibility for the content contained therein. Such addresses or hyperlinks (including addresses or hyperlinks to Mercury Securities own website material) are provided solely for your convenience. The information and the content of the linked site do not in any way form part of this report. Accessing such website or following such link through the report or Mercury Securities’ website shall be at your own risk.

This report is not directed to or intended for distribution or publication outside Malaysia. If you are outside Malaysia, you should have regard to the laws of the jurisdiction in which you are located.

The views expressed in this research report accurately reflect the analyst’s personal views about any and all of the subject securities or issuers; and no part of the research analyst’s compensation was, is or will be, directly or indirectly, related to the specific recommendations or views expressed in the report.

Published & Printed By:

MERCURY SECURITIES SDN BHD
Registration No. 198401000672 (113193-W)
L-7-2, No 2, Jalan Solaris, Solaris Mont’ Kiara,
50480 Kuala Lumpur
Telephone: (603) - 6203 7227
Website: www.mercurysecurities.com.my
Email: mercurykl@mersec.com.my