



Daily Newswatch

Market Review

The FBM KLCI slumped to 1,585.6 (-1.1%), marking its largest single-day decline in recent weeks as selling pressure intensified across the board. Heavy losses in YTL (-7.6%), YTLPOWR (-5.9%), and GAMUDA (-4.2%) dragged the benchmark lower, underscoring bearish sentiment. Sector-wise, Construction (-2.9%) led the declines amid broad-based weakness, followed by Utilities (-2.7%) and Technology (-1.6%). The broader market breadth was bearish, with 913 decliners overwhelmingly outpacing 211 gainers.

Economics

- Malaysia:** Wholesale and retail trade growth slows in November
- Malaysia:** Anwar meets top UAE sovereign wealth fund managers
- Malaysia:** Petra identifies two energy-related priority economic deliverables under Asean chairmanship
- EU:** More ECB policy easing in cards amid risks, Lane says
- China:** Policy focus to shift more to consumption, says central bank governor
- UK:** Will explore nuclear power for new AI data centre plan
- Thailand:** Investment plans hit decade-high US\$33bn last year

Companies

- Gamuda:** Gets first package worth over RM8bn of Penang LRT project
- Yinson:** Close to deal with investors including Abu Dhabi for US\$1bn funding
- Kimlun:** Sells plantation land in Kota Tinggi for RM55m
- Infomina:** Secures technology services order from Hong Kong-based firm
- Eden:** Picked to develop 29.99MW solar plant in Kuantan

Upcoming key economic data releases	Date
US – Jan 2025 PPI	Jan 14
US – Jan 2025 CPI	Jan 15
Malaysia – GDP Growth Rate	Jan 20
Malaysia – Dec 2024 Inflation Rate	Jan 22
Malaysia – Interest Rate Decision	Jan 22
Malaysia – Dec 2024 PPI	Jan 28
US – Jan 2025 FOMC	Jan 30
US – Jan 2025 PCE	Jan 31

Key Indices	Last Close	Daily chg %	YTD chg %
FBM KLCI	1,585.6	(1.0)	(3.5)
Dow Jones	42,297.1	0.9	(0.6)
Nasdaq CI	19,088.1	(0.4)	(1.2)
S&P 500	5,836.2	0.2	(0.8)
FTSE 100	8,224.2	(0.3)	0.6
Nikkei 225	39,004.7	(0.5)	(2.2)
Shanghai CI	3,160.8	(0.2)	(5.7)
HSI	18,874.1	(1.0)	(5.9)
STI	3,791.7	(0.3)	0.1

Market Activities	Last Close	% Chg
Vol traded (m shares)	2,852.5	13.3
Value traded (RM m)	2,544.8	5.0
Gainers	211	
Losers	913	
Unchanged	450	

Top 5 Volume	Last Close	Daily chg %	Vol (m)
SET	0.375	(2.6)	48.5
KGROUP	0.005	(50.0)	45.6
YTLPOWR	4.000	(5.9)	39.3
NATGATE	2.330	(4.9)	37.8
MYEG	0.945	(2.1)	37.8

Top 5 Turnover	Last Close	Daily chg %	Val (RM m)
YTLPOWR	4.000	(5.9)	158.7
TENAGA	13.900	(1.4)	145.2
MAYBANK	10.080	(0.2)	103.0
CIMB	8.100	(1.0)	98.0
NATGATE	2.330	(4.9)	90.3

Currencies	Last Close	% Chg
USD/MYR	4.4978	0.3
USD/JPY	157.49	(0.0)
EUR/USD	1.0251	0.1
USD/CNY	7.3319	0.0
US Dollar Index	109.96	0.3

Commodities	Last Close	% Chg
Brent (USD/barrel)	81.0	1.6
Gold (USD/troy oz)	2,669	0.2
CPO (MYR/metric t)	4,785	(0.6)
Bitcoin (USD/BTC)	94,457	0.3

Economics

Malaysia: Wholesale and retail trade growth slows in November

Malaysia's wholesale and retail trade growth decelerated to 4.7% year-on-year in November, largely driven by sales in non-specialised and specialised stores, official data on Monday showed. Distributive trade totalled RM149.3bn in November, the Department of Statistics Malaysia said in a statement. The rate was a tad slower than the 5.5% gain in October versus a year earlier. On a month-on-month basis, sales value fell 0.5%. However, the wholesale and retail trade sector is expected to have benefited from December's holiday season and school breaks that typically bring a surge in festive shopping and higher family spending, the department said, coupled with higher tourist arrivals and an increase in civil servants' pay last year. "Coupled with year-end sales and promotional campaigns, these factors positioned December as a potentially strong month for the sector, closing the year of 2024 on an optimistic note," it added. Retail trade grew 5.8% to RM64.8bn in November, partly helped by sales of automotive fuel and that of food, beverages and tobacco. (*The Edge*)

Malaysia: Anwar meets top UAE sovereign wealth fund managers

Prime Minister Datuk Seri Anwar Ibrahim commenced his second-day visit to the United Arab Emirates (UAE) on Monday by meeting three UAE sovereign wealth fund managers here. The one-on-one business meetings started with Masdar chief executive officer Mohamed Jameel Al Ramahi, followed by Abu Dhabi Investment Authority (ADIA) managing director Sheikh Hamed bin Zayed Al Nahyan, and Mubadala managing director and CEO Khaldoon Khalifa Al Mubarak. Following the meetings, Anwar will depart to Dubai, about 150 kilometres from here, to have an audience with UAE Vice-President and Prime Minister Sheikh Mohammed bin Rashid Al Maktoum, who is also Ruler of Dubai. The discussion is expected to focus on bolstering bilateral ties and exploring opportunities in renewable energy, food and energy security, artificial intelligence and data centres, as well as regional and global issues of mutual concern. (*The Edge*)

Malaysia: Petra identifies two energy-related priority economic deliverables under Asean chairmanship

The Ministry of Energy Transition and Water Transformation (Petra) has identified two energy-related priority economic deliverables (PED) as key priorities under Malaysia's Asean chairmanship in 2025. They are the Asean Plan of Action for Energy Cooperation (APAEC) 2025, Phase 1: 2026-2030, and the Asean Power Grid (APG) Enhanced Memorandum of Understanding (MOU). "These two policy documents are crucial to ensure sustained cooperation among Asean member states in developing the energy sector towards supply security and energy sustainability in the region," Petra stated in a press release on Monday. (*The Edge*)

EU: More ECB policy easing in cards amid risks, Lane says

The European Central Bank (ECB) is likely to reduce interest rates further, in order to ensure it delivers on its price stability mandate, according to chief economist Philip Lane. "Probably more monetary easing is going to come, in order to make sure the European economy grows," he told a conference in Hong Kong on Monday. Without further adjustments to the policy stance, "delivering on our inflation target would be at risk".

ECB policymakers are determining how quickly and how far to lower borrowing costs in 2025, after four quarter-point moves last year. While easing is likely to continue in a similar fashion, some officials have said a larger 50 basis-point cut shouldn't be excluded due to the plethora of risks facing Europe's stuttering economy. While data last week revealed that inflation saw an uptick to 2.4% in December, the ECB predicts that consumer-price growth will be at its target later this year. (*Bloomberg*)

China: Policy focus to shift more to consumption, says central bank governor

China will promote the role of consumption in the economy and move away from its sole focus on investment, according to the central bank governor, ushering in a shift in the growth model that's come to define the country over the past two decades. "The priority of macroeconomic policy should shift from promoting more investment in the past, to promoting both consumption and investment, with more importance attached to consumption," Pan Gongsheng said in a speech at the Asian Financial Forum in Hong Kong.

Pan made the comments on Monday during an unexpected appearance at the event just as the People's Bank of China (PBOC) issued a statement outlining new measures to defend the yuan, acting after the currency dropped close to a record low a week before Donald Trump reclaims the White House. China will look to increase residents' income, step up subsidy support for consumers and improve social security to boost consumption, Pan said, expanding on an argument he began to make public last fall. (*Reuters*)

UK: Will explore nuclear power for new AI data centre plan

The UK is planning special districts for constructing data centres and will explore dedicating nuclear energy to the sites as part of a Labour government project to boost technology growth and the ecosystem for artificial intelligence (AI). These "AI Growth Zones" will include enhanced access to electricity and easier planning approvals for data centres, the government said on Sunday. It said the first such zone will be in Culham, home of the UK Atomic Energy Authority. The government will form an energy council, composed of public and private officials, that will explore powering the data centres with small modular reactors that rely on nuclear fission technology. The latest AI systems are incredibly energy intensive, and the explosion of interest in the field has prompted a hunt for new sources of power across the globe. (*Bloomberg*)

Thailand: Investment plans hit decade-high US\$33b last year

Thailand said foreign and domestic companies pledged to invest 1.14tn baht (US\$33bn or RM147.8bn) last year, as the Southeast Asian nation emerged as a hot destination for data centres, cloud services and advanced electronics manufacturing. Investment pledges surged 35% from a year earlier and was the highest in value terms since 2014, the Board of Investment said in a statement on Monday. The agency is targeting fresh proposals worth at least 1tn baht this year, secretary general Narit Therdsteerasukdi told reporters in Bangkok.

The digital sector topped the list of applications seeking investment promotion benefits last year. Companies including Alphabet Inc's Google, Australia's NEXTDC Ltd, India's Ctrl S Datacentres Ltd, Singapore-based GDS IDC Services Pte Ltd and others committed to invest a total of 243.3bn baht in 150 projects, the board said. (*Bloomberg*)



Companies

Gamuda: Gets first package worth over RM8bn of Penang LRT project

Gamuda Bhd said its consortium has been appointed as the main contractor to deliver the first civil works package worth over RM8bn for the Penang Light Rail Transit (LRT) project. SRS Consortium Sdn Bhd, a joint venture in which Gamuda owns a 60% stake, will build the Mutiara Line stretching 24km from Komtar in George Town to Island A of the Penang South Reclamation project. The contract involves 19 stations and other related facilities. "This is intended to simplify and expedite the implementation and initial execution of the project," said Anthony Loke Siew Fook at a press conference after a signing ceremony for the contract on Monday. The contract has a ceiling of RM8.31bn, he noted. The long overdue project is expected to alleviate severe traffic congestion in Penang Island. Once the notice to proceed is issued, Gamuda will have 6 years to complete the contract, according to the statement from the company. *(The Edge)*

Yinson: Close to deal with investors including Abu Dhabi for US\$1bn funding

Yinson Holdings Bhd is close to signing up investors for a funding round in its unit that makes equipment used by the offshore oil and gas industry, according to people with knowledge of the matter. Abu Dhabi Investment Authority (ADIA), British Columbia Investment Management Corp (BCI) and RRJ Capital will likely subscribe to US\$1bn (RM4.51bn) in redeemable convertible preference shares as soon as this week, the people said, asking not to be identified because the process is private. The trio is also expected to subscribe to another US\$500m at a later, unspecified date, according to the people. The funding round for Yinson Production Offshore Pte Ltd comes ahead of an initial public offering for the so-called FPSO — floating production, storage and offloading — company, which could take place in a few years' time, the people said. Talks are ongoing and may not result in a deal, the people added. *(The Edge)*

Kimlun: Sells plantation land in Kota Tinggi for RM55m

Engineering and construction services provider Kimlun Corp Bhd is selling a plot of freehold land measuring 56.5ha in Kota Tinggi, Johor, for RM55m to KT Techpark Sdn Bhd. Its indirect wholly-owned unit Kitaran Lintas Sdn Bhd has inked the agreement for the sale, according to its bourse filing on Monday. KT Techpark is a 50%-owned entity, with Ng Say Piyu its largest shareholder, while Lam Fung Eng and Ng Chong Boon share equal ownership of the remaining stake. The land has been used for oil palm plantation. Over the past three years, the land produced 1,950 tonnes of fresh fruit bunches (FFB). According to Kim Lun's latest audited financial statements for FY2023, the land contributed to a net loss of RM500,000 for the year. The sale price represents a 60% premium over the land's net book value of RM34.48m as of Dec 31, 2023. No valuation exercise was conducted on the land. *(The Edge)*

Infomina: Secures technology services order from Hong Kong-based firm

IT services provider Infomina Bhd said it has secured a purchase order worth US\$2.9m (RM13m) to provide technology application and infrastructure operations to a Hong Kong-based technology firm. The order, accepted through its wholly-owned subsidiary Infomina Pte Ltd (Infomina SG), was issued by PCCW Solutions Ltd for its entity, Hong Kong Telecommunications (HKT) Ltd, according to the company's filing with Bursa Malaysia on Monday. Under the two-year agreement, Infomina SG will assist HKT with renewing licence subscriptions, providing training for HKT personnel on installation and start-up processes, supervising the installation and start-up of hardware and software systems. *(The Edge)*

Eden: Picked to develop 29.99MW solar plant in Kuantan

Eden Inc Bhd said on Monday that it has been selected to develop a 29.99-megawatt (MW) large-scale solar photovoltaic plant in Gebeng, Kuantan. In a bourse filing, Eden said that its wholly owned subsidiary, Daya Cipta Sdn Bhd, accepted the letter of notification from the Energy Commission on Jan 10. According to the letter, the plant's maximum export capacity must not exceed 29.99MW, and it will operate under a 21-year solar power purchase agreement with Tenaga Nasional Bhd. *(The Edge)*



Stock Selection Based on Dividend Yield

	Sector	Price (RM)	Dividend/Share (RM)	Dividend Yield (%)
Bermaz Auto	Consumer	1.43	0.17	11.89
MBM Resources	Consumer	6.14	0.53	8.55
British American Tobacco (M)	Consumer	7.24	0.60	8.23
Amway (M)	Consumer	6.78	0.53	7.77
KIP REIT	REIT	0.87	0.07	7.70
Sentral REIT	REIT	0.80	0.06	7.67
Genting Malaysia	Consumer	2.16	0.16	7.27
Datasonic Group	Technology	0.40	0.03	7.25
Ta Ann Holdings	Plantation	4.20	0.30	7.17
Paramount Corporation	Property	1.05	0.07	7.14
YTL Hospital REIT	REIT	1.19	0.08	6.97
CapitaLand Malaysia Trust	REIT	0.67	0.05	6.72
Sports Toto	Consumer	1.55	0.10	6.45
RHB Bank	Finance	6.28	0.41	6.45
UOA REITS	REIT	0.95	0.06	6.42

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		
CBH Engineering Holding Bhd	ACE Market	0.28	298.0	188.1	02 Jan	16 Jan
Oriental Kopi Holdings Bhd	ACE Market	0.44	418.1	-	10 Jan	23 Jan
Northern Solar Holdings Bhd	ACE Market	0.63	67.3	35.6	20 Jan	06 Feb

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