



Daily Newswatch

Market Review

The FBM KLCI tumbled to 1,562.1 (-0.9%), extending its downtrend as weak sentiment persisted, pushing the benchmark to its lowest level in months. The selloff was fueled by heightened risk aversion, with widespread declines across sectors. Heavy losses in GAMUDA (-5.7%), PETDAG (-3.6%), and MRDIY (-3.4%) further pressured the index. Sector-wise, Construction (-4.8%), Technology (-3.3%) and Property (-3.0%) led the declines as investors reassessed their exposure to data centre plays amidst U.S. export curbs on AI chips. The broader market painted a bleak picture, with 964 decliners overwhelmingly outpacing 193 gainers.

Economics

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- US:** Inflation still slowing as producer prices rise below expectations in December
- US:** Trump says he will create new agency to collect revenue from foreign sources
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- Singapore:** Home sales beat forecasts in 2024 after year-end rush

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- SD Guthrie:** EPF chairman Mohd Zuki Ali joins SD Guthrie board
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- Fajabaru:** Now called 'FBG'
- Southern Score Builders:** Secures RM78m detention pond project in KL

Upcoming key economic data releases

Date

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	1,562.1	(0.9)	(4.9)
Dow Jones	43,221.6	1.7	1.6
Nasdaq CI	19,511.2	2.5	1.0
S&P 500	5,949.9	1.8	1.2
FTSE 100	8,301.1	1.2	1.6
Nikkei 225	38,444.6	(0.1)	(3.6)
Shanghai CI	3,227.1	(0.4)	(3.7)
HSI	19,286.1	0.3	(3.9)
STI	3,772.6	(0.4)	(0.4)

Market Activities	Last Close	% Chg
Vol traded (m shares)	3,407.6	(1.3)
Value traded (RM m)	3,084.3	13.2
Gainers	193	
Losers	964	
Unchanged	419	

Top 5 Volume	Last Close	Daily chg %	Vol (m)
EAH	0.005	0.0	99.9
MYEG	0.890	(4.8)	87.1
GAMUDA	4.450	(5.7)	58.7
VELESTO	0.160	(3.0)	46.9
YTL	2.190	0.5	43.9

Top 5 Turnover	Last Close	Daily chg %	Val (RM m)
GAMUDA	4.450	(5.7)	265.4
CIMB	7.850	(1.5)	184.2
TENAGA	13.500	(2.3)	134.9
MAYBANK	10.140	(0.6)	111.8
SUNWAY	4.190	(1.4)	105.0

Currencies	Last Close	% Chg
USD/MYR	4.499	0.2
USD/JPY	156.22	0.2
EUR/USD	1.0295	0.1
USD/CNY	7.3318	(0.0)
US Dollar Index	109.09	(0.2)

Commodities	Last Close	% Chg
Brent (USD/barrel)	82.0	2.6
Gold (USD/troy oz)	2,695	(0.1)
CPO (MYR/metric t)	4,534	0.5
Bitcoin (USD/BTC)	100,510	0.8

Economics

Malaysia: Welcomes UAE companies to invest in renewable energy, data centre projects — PM

Malaysia welcomes companies from the United Arab Emirates (UAE) to invest in Malaysia involving renewable energy (RE) projects, including data centres, said Prime Minister Datuk Seri Anwar Ibrahim. He said that during his three-day working visit to the UAE, which began on Sunday, he held meetings with sovereign wealth fund companies from the country. Anwar said that during the meeting with UAE state-owned renewables firm Masdar, the government informed them that it would facilitate Masdar's investment plans in Malaysia through joint ventures with local companies for green energy projects, infrastructure, battery storage, and strengthening the energy grid. (*The Edge*)

US: Inflation still slowing as producer prices rise below expectations in December

U.S. producer prices rose less than expected in December as higher costs for goods were partially offset by stable services prices, suggesting inflation remained on a downward trend after progress had stalled in recent months. "Better than expected is not necessarily what the Fed wants to see before easing monetary conditions into a fast-growing economy, with tariffs and tax cuts on the agenda of the incoming administration," said Carl Weinberg, chief U.S. economist at High Frequency Economics. The producer price index for final demand rose 0.2% last month after an unrevised 0.4% advance in November, the Labor Department's Bureau of Labor Statistics said. Economists polled by Reuters had forecast the PPI would climb 0.3%. (*Reuters*)

US: Trump says he will create new agency to collect revenue from foreign sources

Donald Trump said on Tuesday he will create a new government agency called the External Revenue Service "to collect tariffs, duties, and all revenue" from foreign sources as he readies new import tariffs ahead of his inauguration next week. Trump said in a social media post he would create the department on Jan 20, the day he takes office as president for a second term, adding that Americans have been taxed for too long by the Internal Revenue Service. "Through soft and pathetically weak Trade agreements, the American Economy has delivered growth and prosperity to the World, while taxing ourselves. It is time for that to change," the Republican said in a post on Truth Social. "We will begin charging those that make money off of us with Trade, and they will start paying, FINALLY, their fair share." (*Bloomberg*)

China: Scouring the globe in search of new food suppliers

China's quest to feed itself has taken it as far as Kenya's macadamia nut groves and Bolivia's cattle ranches, as part of a push in recent years to diversify food sources away from traditional Western suppliers. The market-share loss for US-allied nations is a win for countries from the Global South, which Beijing has sought to court as geopolitics increasingly cleaves the world into distinct blocs. There are obvious beneficiaries like crop powerhouse Brazil, which has clawed market share in corn and soybean exports from the US, while Russia is selling more grains, edible oils and meat to China. The range of products and suppliers includes those that are not usually in the spotlight, underscoring Beijing's determination to cultivate new trade partners and safeguard food security since US President-elect Donald Trump's trade war exposed China's dependence on the US and its allies. (*Bloomberg*)

Japan: BOJ chief Ueda signals rate hike chance next week, yen jumps

The Bank of Japan (BOJ) will debate whether to raise interest rates next week, Governor Kazuo Ueda said on Wednesday, reiterating the bank's resolve to push up borrowing costs if the economy continues to improve. The remarks, which echo those made by BOJ Deputy Governor Ryozi Himino on Tuesday, pushed up the yen as markets continued to price in the chance of rate hike at the bank's next policy meeting on Jan 23-24. Ueda said the central bank will raise rates if improvements in the economy and prices continue. The new US administration's economic policy and momentum of this year's wage negotiations in Japan are key in deciding the rate-hike timing, he said. (*Reuters*)

South Korea: Jobless rate hits 3½-year high amid political uncertainty

South Korea's jobless rate jumped to the highest in 3½ years in December, as political turmoil stoked economic uncertainty and dampened sentiment, data showed on Wednesday, a day ahead of the central bank's first monetary policy meeting of the year. The unemployment rate last month rose to 3.7% on a seasonally adjusted basis, the highest since June 2021 and sharply up from 2.7% in November, according to Statistics Korea. The number of employed people fell by 52,000 over the 12 months to December, after a gain of 123,000 in November. It was the first fall since February 2021. (*Bloomberg*)

Singapore: Home sales beat forecasts in 2024 after year-end rush

Singapore home sales beat forecasts in 2024, due to a resurgence in demand that has renewed speculation the government may take steps to cool the market. Developers likely sold more than 6,500 new units last year, based on preliminary calculations by Bloomberg, after figures for December were released Wednesday by the Urban Redevelopment Authority. That surpasses the 6,421 transacted in 2023, exceeding forecasts from consultancies including CBRE Group Inc and Jones Lang LaSalle Inc, which had expected a drop from 2023. The full year rebound came despite a typically quiet December, dominated by a year-end school vacation and the Christmas holiday, in which just 203 units were sold. (*Reuters*)

Companies

SD Guthrie: EPF chairman Mohd Zuki Ali joins SD Guthrie board

Plantation giant SD Guthrie Bhd, previously known as Sime Darby Plantation, has announced the appointment of Tan Seri Datuk Seri Mohd Zuki Ali as its non-independent and non-executive director. Mohd Zuki, who has been the chairman of the Employees Provident Fund (EPF) since September 2024, brings over three decades of experience in government service, according to SD Guthrie's filing on Wednesday. "With over 30 years in government service, he brings expertise in policy setting, public administration, and intergovernmental institutions," SD Guthrie said. (*The Edge*)

SC Estate Builder: Consortium wins contract to develop 4MW solar project in Perlis

SC Estate Builder Bhd announced on Wednesday that its joint venture with Anjung Meriah Sdn Bhd has been shortlisted by the Energy Commission to develop a four-megawatt (MW) large-scale solar photovoltaic project in Arau, Perlis. The joint venture, in the form of a consortium between Anjung Meriah and SC Estate's wholly owned subsidiary SC Estate Construction Sdn Bhd (SCEC), is 40%-owned by SCEC and 60% owned by Anjung Meriah. SC Estate's deputy chairman Kuay Jeaneve controls Anjung Meriah with a 97.18% stake. In a filing with the exchange, SC Estate said the latest award aligns with the company's mission to develop up to 3,000 MW solar power plants and up to 3,000 affordable houses with solar power roofs. (*The Edge*)

Rexit: Appoints Kelantan royalty Tengku Mohamad Rizam as new chair

Rexit Bhd which provides software as a service, has appointed Tengku Tan Sri Mohamad Rizam Tengku Abdul Aziz, part of the Kelantan royal family, as its new independent and non-executive chairman. The 63-year-old Tengku Temenggong of Kelantan succeeds Datuk Seow Gim Shen, who resigned from the company's board in October last year, just six weeks after taking on the role. Seow's resignation came right before he, along with Kong Chien Hoi, both major shareholders of the group, were jailed by Singaporean court for their involvement in conspiracy to unlawfully obtain data on over 9,000 individuals. They were both jailed for 14 weeks after pleading guilty to the offence. In a bourse filing on Wednesday, Rexit said Tengku Mohamad Rizam brings over 30 years of experience in the banking sector, having held various senior roles, including as manager in the business development and marketing division of Hong Leong Bank Bhd and as head of transaction banking and senior VP at RHB Islamic Bank Bhd. (*The Edge*)

Sunview: To explore developing off-grid solar power plant in Chuping

Sunview Group Bhd's 60%-owned indirect subsidiary Sirage Energy Sdn Bhd has partnered with Sirage Skyvast Holdings Sdn Bhd to explore collaboration to undertake a solar power generation plant for an off-grid technology park — Perlis Advance Tech Park (PATP) located in Chuping, Perlis. According to the heads of agreement, both parties intend to develop, construct, and operate a solar power generation plant in PATP, and will undertake feasibility and viability studies. Sirage Energy will manage the technical design, regulatory compliance, and operational aspects of the project. Sirage Energy is 60% indirectly owned by Sunview, held through the latter's wholly owned unit Fabulous Sunview Sdn Bhd. (*The Edge*)

Fajabaru: Now called 'FBG'

Fajabaru Builder Group Berhad will now be known as FBG as it embarks on a rebranding exercise to reflect its new direction and positioning. In an announcement to the stock exchange, the company said the rebranding reflects the group's commitment to evolve with the times, positioning itself as a leader in delivering innovative quality construction and property development projects with sustainability being at focus across all the industries it serves. "With a renewed focus on sustainability, this rebranding is a strategic move to align with the group's vision of fostering a forward-thinking approach to tackle the ever-evolving needs and pave the way for a better future while maintaining its dedication to quality and service excellence," it said. (*The Star*)



Southern Score Builders: Secures RM78m detention pond project in KL

Southern Score Builders Bhd (SSBB) has secured a RM78m contract for the proposed upgrading works of a detention pond in Kuala Lumpur. In a filing with Bursa Malaysia, the construction company announced that its wholly-owned subsidiary, Southern Score Sdn Bhd, has accepted a letter of award from Seribu Megah Sdn Bhd, a wholly-owned subsidiary of Radium Development Bhd. The contract has a duration of 12 months and is expected to be completed on Jan 14, 2026. *(The Star)*



Stock Selection Based on Dividend Yield

	Sector	Price (RM)	Dividend/Share (RM)	Dividend Yield (%)
Bermaz Auto	Consumer	1.36	0.17	12.50
MBM Resources	Consumer	6.17	0.52	8.51
British American Tobacco (M)	Consumer	7.22	0.60	8.25
Amway (M)	Consumer	6.70	0.53	7.87
Sentral REIT	REIT	0.79	0.06	7.72
KIP REIT	REIT	0.87	0.07	7.70
Datasonic Group	Technology	0.39	0.03	7.53
Ta Ann Holdings	Plantation	4.17	0.30	7.22
Paramount Corporation	Property	1.04	0.07	7.21
Genting Malaysia	Consumer	2.18	0.16	7.20
YTL Hospital REIT	REIT	1.16	0.08	7.16
CapitaLand Malaysia Trust	REIT	0.67	0.04	6.77
Sports Toto	Consumer	1.55	0.10	6.45
UOA REITS	REIT	0.95	0.06	6.42
REXIT	Technology	0.78	0.05	6.41

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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