



Daily Newswatch

Market Review

The FBM KLCI closed slightly lower at 1,553.6 (-0.2%) on Monday, following weakness in regional markets due to rising concerns over increasing global trade tensions after the latest U.S. tariff measures. The index saw downward pressure from PCHEM (-5.2%), SIME (-3.1%) and YTL (-2.6%), which weighed on sentiment. Among the sectors, Industrial Products & Services (-1.0%), Energy (-0.9%) and Transportation & Logistics (-0.6%) were the top 3 underperformers. Market breadth remained negative, with 589 decliners outpacing 383 gainers.

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Upcoming key economic data releases

Date

US – Jan 2024 NFP, Unemployment Rate	Feb 07
Malaysia – Dec 2024 Unemployment Rate	Feb 10
US – Jan 2025 CPI	Feb 12
US – Jan 2025 PPI	Feb 13
Malaysia – GDP Growth Rate	Feb 14
US – Jan 2025 FOMC	Feb 20
Malaysia – Jan 2024 Inflation Rate	Feb 21

Key Indices	Last Close	Daily chg %	YTD chg %
FBM KLCI	1,553.6	(0.2)	(5.4)
Dow Jones	44,421.9	(0.3)	4.4
Nasdaq CI	19,392.0	(1.2)	0.4
S&P 500	5,994.6	(0.8)	1.9
FTSE 100	8,583.6	(1.0)	5.0
Nikkei 225	38,520.1	(2.7)	(3.4)
Shanghai CI	3,250.6	(0.1)	(3.0)
HSI	20,217.3	(0.0)	0.8
STI	3,826.5	(0.8)	1.0

Market Activities	Last Close	% Chg
Vol traded (m shares)	2,081.1	41.3
Value traded (RM m)	1,753.2	(8.8)
Gainers	383	
Losers	589	
Unchanged	431	

Top 5 Volume	Last Close	Daily chg %	Vol (m)
COMPUGT	0.015	50.0	78.3
SUPERMX	1.220	14.0	37.0
KAB	0.325	(1.5)	29.3
TOPGLOV	1.250	4.2	28.7
YTLPOWR	3.050	(2.6)	24.0

Top 5 Turnover	Last Close	Daily chg %	Val (RM m)
TENAGA	13.580	(0.1)	90.0
CIMB	8.000	(0.2)	85.0
YTLPOWR	3.050	(2.6)	73.4
GAMUDA	4.140	2.5	61.0
PBBANK	4.320	0.2	54.0

Currencies	Last Close	% Chg
USD/MYR	4.4755	(0.4)
USD/JPY	154.84	(0.1)
EUR/USD	1.0343	(0.0)
USD/CNY	7.2446	(0.0)
US Dollar Index	108.42	0.0

Commodities	Last Close	% Chg
Brent (USD/barrel)	75.4	(0.3)
Gold (USD/troy oz)	2,814	(0.0)
CPO (MYR/metric t)	4,622	(0.1)
Bitcoin (USD/BTC)	101,779	(0.2)



Economics

Malaysia: Madani govt will ensure economic wealth benefits all segments of society

The Madani government will ensure that the distribution of the country's economic wealth is being optimised for the nation's development to benefit all segments of the society, Prime Minister Datuk Seri Anwar Ibrahim said. "The entire machinery of the Madani government will ensure that the country's economic cake is used for the country's development, benefitting all segments of society, including smallholders, farmers, fishermen, agricultural industry players, and the entire national food supply chain," he posted on Facebook. Anwar, who is also finance minister, posted that in response to His Majesty Sultan Ibrahim, King of Malaysia's royal address at the opening ceremony of the First Meeting of the Fourth Session of the 15th Parliament earlier on Monday. (*The Edge*)

US: Trump raises EU tariff threat, plans Canada and Mexico calls

US President Donald Trump ramped up his tariff threats to the European Union (EU), while saying he would speak with the leaders of Canada and Mexico, as stock markets sank following a hectic weekend that saw prospects for a trade war turn into reality. In remarks to reporters on Sunday night, Trump said he would hold separate calls on Monday morning with Canadian Prime Minister Justin Trudeau, as well as with the Mexican leadership, after announcing 25% tariffs on the US' neighbours and top trading partners. The levies are set to take effect on Tuesday, barring a last-minute deal. "I don't expect anything very dramatic," Trump said of the planned calls. "We put tariffs on. They owe us a lot of money, and I'm sure they're going to pay." Trump also reiterated a warning to the EU that tariffs "will definitely happen", citing a large trade deficit with the bloc. (*Bloomberg*)

EU: ECB's Villeroy says Trump tariffs will increase economic uncertainty

Trade tariffs imposed by US President Donald Trump will increase economic uncertainty, French central bank governor Francois Villeroy de Galhau said on Monday. "Looking at the economic news, there are some rather positive elements, there is a recovery of purchasing power ... however, the decision of Mr Trump to impose strong tariffs will increase economic uncertainty," Villeroy told France Info, adding that this was a very worrying development. Villeroy, who is also a member of the European Central Bank (ECB), said Trump's tariffs were "very brutal" and would hit the autos sector especially. "Everybody loses in this kind of protectionist trade war," he said. (*Bloomberg*)

EU: France's premier risks turmoil in budget showdown

French Prime Minister Francois Bayrou faces a make-or-break test on Monday when he plans to get a new budget approved without a parliamentary vote, a risky process that could end up toppling France's third government in less than a year. Bayrou said over the weekend that he would use a constitutional provision — called Article 49.3 — that allows him to skip a vote in the National Assembly and force legislation through. Use of this mechanism allows members of parliament to call a no-confidence vote, and far-left lawmakers have already said they would table such a motion. A no-confidence vote will likely happen on Wednesday, and if a majority in the lower house support it, then President Emmanuel Macron may again be forced to find a new prime minister. (*Bloomberg*)

EU: Germany's Scholz joins chorus of European leaders pledging to retaliate against Trump tariffs if necessary

German Chancellor Olaf Scholz said that Europe has the capacity to react to new US tariffs if President Donald Trump follows through on his recent threats, joining a chorus of European leaders pledging to retaliate if necessary. "It always would be good — both for the US and for Europe — if we cooperate," Scholz told reporters on Monday in Brussels ahead of an informal meeting of European Union (EU) leaders. "But what is clear is the basis for talking is knowing one's own strength: Europe can act." EU leaders are meeting for a retreat to discuss defence spending in the context of Russia's ongoing war against Ukraine and Trump's demands that the bloc spend more on defence. (*Reuters*)



China: To propose restoring 2020 'Phase 1' trade deal with US, WSJ reports

China's initial proposal to tariffs imposed by US President Donald Trump's administration will centre on restoring the "Phase 1" trade deal signed in 2020 during Trump's first term, The Wall Street Journal (WSJ) reported, citing sources. Other parts of China's plan will include a pledge to not devalue the yuan, an offer to make more investments in the US, and a commitment to reducing exports of fentanyl precursors, according to the WSJ report. The Phase 1 trade deal Trump signed with Beijing in 2020 ended a nearly two-year tariff war at that time. The deal required China to increase purchases of US exports by US\$200bn over two years, but Beijing failed to meet the targets as the Covid-19 pandemic hit. (*Reuters*)

Indonesia: Set to shift US\$61bn of state assets into new fund that reports directly to Prabowo

Indonesia is poised to shift at least US\$61bn (RM272.91bn) of state assets into a powerful new investment fund that reports directly to President Prabowo Subianto. The new entity, Daya Anagata Nusantara, or Danantara, will oversee dividends from state-owned enterprises, and have broad control over capital injections and restructuring, according to draft legislation seen by Bloomberg. It will fall under the authority of the president, and assume some power from the State-Owned Enterprises Ministry, the draft showed. The fund is central to Prabowo's economic agenda, which aims to boost growth by luring investment and manufacturing while boosting consumers, including through a free school lunch programme. (*Reuters*)

Companies

Prolintas: Azlan resigns from Prolintas Managers' board, CEO redesignated as non-executive director

Prolintas Infra Business Trust said Datuk Mohammad Azlan Abdullah has relinquished his role as non-independent and non-executive director from its trustee-manager, Prolintas Managers Sdn Bhd. The reason cited for resignation was due to other personal commitments, according to the bourse filing. Separately, Prolintas Managers has redesignated its chief executive officer, Malik Parvez Ahmad Nazir Ahmad to become non-executive director. He will serve in the trustee-manager's risk, nomination and remuneration committee. *(The Edge)*

AZRB: Bags RM63m bridge construction job in Kuala Lipis

Ahmad Zaki Resources Bhd, whose share price touched its lowest in more than 10 months last Tuesday, announced that it has secured an RM63.44m contract to undertake the construction of a bridge at Kampung Binjai in Kuala Lipis, Pahang. The engineering and construction group said its wholly owned unit Ahmad Zaki Sdn Bhd received the letter of award from the Public Works Department on Jan 28, according to an exchange filing on Monday. The contract will commence on Feb 12, 2025, and span over 36 months, AZRB said. This new bridge, which is approximately 400 meters long and 11 meters wide, will cross Sungai Lipis, Pahang. The bridge will connect from the federal route to Kampung Binjai in Kuala Lipis. *(The Edge)*

KJTS: To buy Malakoff's energy-efficient cooling unit for RM66m

KJTS Group Bhd is to acquire the entire equity stake in Malakoff Corp Bhd's energy-efficient cooling unit Malakoff Utilities Sdn Bhd for RM65.5m in cash. The move is aimed at scaling up KJTS' cooling operations by leveraging its expertise in energy-efficient cooling solutions to enhance Malakoff Utilities' performance, according to the ACE Market-listed building support services provider's bourse filing on Monday. "Malakoff Utilities owns and operates a large-scale cooling system that supplies chilled water for air-conditioning to 10 major buildings within Kuala Lumpur Sentral (KL Sentral), one of Malaysia's most prominent commercial and transit hubs," KJTS said in a separate statement. These buildings include Plaza Sentral Blocks 1, 2, 3, 4, NU Sentral Mall, Menara Shell, Ascott Sentral, Aloft Hotel, and NU Tower 1 and 2, according to KJTS. *(The Edge)*

Salutica: Appeals High Court decision in Apple patent dispute

Salutica Bhd has filed an appeal against the High Court's decision to dismiss its patent infringement suit against Apple Malaysia Sdn Bhd. "Solicitors for the plaintiff [Salutica's wholly owned unit Salutica Allied Solutions Sdn Bhd] have on Jan 27, filed a notice of appeal to the Court of Appeal against the decision of the High Court handed down on Jan 17," Salutica said in a bourse filing on Monday. The High Court has also ordered Salutica Allied Solutions to pay Apple Malaysia the counterclaim of RM1.2m. Back in January 2022, Salutica filed a suit accusing Apple Malaysia of infringing on patents related to CrossPair Technology. *(The Edge)*

Mulpha: Sells shopping centre, marina in Australia for RM233m

Mulpha International Bhd, which in recent years has slimmed down its property portfolio in Malaysia to focus on its activities in Australia, has now decided to dispose of a shopping centre along with its associated marina in Queensland, Australia. The proposed disposal of the Capri on Via Roma property for A\$85.5m (RM233.42m) is part of Mulpha International's capital recycling initiative aimed at strengthening its cash flow and streamlining its asset portfolio, said the company in a bourse filing on Monday. "The sale proceeds from the proposed disposal are intended to repay bank borrowings associated with the property, with the remainder to be utilised by Mulpha International group as part of its business activities," it said. *(The Edge)*

Maxland: Leases more Kulim High-Tech Park land, this time for district cooling system venture

Maxland Bhd has inked another 60-year land lease agreement with Kulim Technology Park Corp Sdn Bhd, but this time for land to venture into the district cooling system (DCS) business. Its wholly owned unit, Maxland Kool Sdn Bhd, entered into the agreement with Kulim Tech Corp to lease a 4.85-acre parcel in Industrial Zone Phase 2 of the Kulim High-Tech Park (KHTP) for RM10.57m, according to the timber firm's bourse filing on Monday. This agreement follows a similar one Maxland inked with Kulim Tech Park Corp in January for a 60-year lease on a 4.57-acre parcel in KHTP for RM9.95m for the development of a data centre. *(The Edge)*

LYC Healthcare: Baker Tilly resigns as external auditor of LYC Healthcare over audit fees

Cash-strapped LYC Healthcare Bhd said Messrs Baker Tilly Monteiro Heng PLT has resigned as the company's external auditors after the two sides were unable to agree on the audit fees. "Their resignation was mutually agreed upon as both parties were not able to reach an agreement on proposed audit fees for the financial year ending March 31, 2025," LYC said in a bourse filing. Baker Tilly was re-appointed as the company's external auditors at the last annual general meeting (AGM) on Sept 27, 2024. LYC said the appointment of new auditors will be made once it is finalised by the board. *(The Edge)*

HCK Capital: Director Tiong Tak Chong emerges as substantial shareholder

HCK Capital Group Bhd's non-independent non-executive director Datuk Diong Tak Chong @ Tiong Tak Chong has emerged as a substantial shareholder of the property developer with a 5.27% stake. This came after Tiong converted warrants into 2.6m shares or a 0.42% stake on Jan 28, according to HCK Capital's bourse filing on Monday. Following the warrant conversion, Tiong's stake in HCK Capital stood at 5.27% or 32.38m shares. Tiong was appointed to HCK Capital's board in June 2022. At the time, he only controlled 184,300 shares. *(The Edge)*



Stock Selection Based on Dividend Yield

	Sector	Price (RM)	Dividend/Share (RM)	Dividend Yield (%)
Bermaz Auto	Consumer	1.30	0.17	12.92
MBM Resources	Consumer	5.70	0.52	9.21
British American Tobacco (M)	Consumer	7.21	0.60	8.27
Amway (M)	Consumer	6.84	0.53	7.70
Sentral REIT	REIT	0.81	0.06	7.70
Datasonic Group	Technology	0.40	0.03	7.59
KIP REIT	REIT	0.89	0.07	7.57
Ta Ann Holdings	Plantation	4.01	0.30	7.51
CapitaLand Malaysia Trust	REIT	0.68	0.05	7.06
Genting Malaysia	Consumer	2.23	0.16	7.04
YTL Hospital REIT	REIT	1.19	0.08	6.97
Hektar REITS	REIT	0.54	0.03	6.54
Paramount Corporation	Property	1.08	0.07	6.48
Sports Toto	Consumer	1.56	0.10	6.41
REXIT	Technology	0.80	0.05	6.29

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		
Northern Solar Holdings Bhd	ACE Market	0.63	67.3	35.6	20 Jan	06 Feb
Colform Group Bhd	ACE Market	0.36	114.4	54.0	23 Jan	10 Feb
Richtech Digital Bhd	ACE Market	0.25	54.7	-	31 Jan	17 Feb
Techstore Bhd	ACE Market	0.20	125.0	25.0	04 Feb	18 Feb
ES Sunlogy Bhd	ACE Market	0.30	140.0	70.0	05 Feb	20 Feb

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