



Daily Newswatch

Market Review

The FBM KLCI closed at 1,592.3 (-0.7%), slipping below 1,600 as caution persisted due to trade war concerns following Trump's reciprocal tariff plans. Losses in MRDIY (-4.2%), 99SMART (-2.7%), and PETDAG (-2.3%) dragged the index lower. Sector-wise, Telecommunications & Media (-1.0%) led the declines, followed by Financial Services (-1.0%) and Health Care (-0.9%). The broader market remained subdued, with 573 decliners outpacing 422 gainers.

Economics

- Malaysia:** Govt to accelerate fiscal reforms for long-term resilience amid trade war, says Rafizi
- Malaysia:** Govt to introduce new investment incentive framework in 3Q2025
- EU:** Favours negotiations over retaliation to Trump tariffs
- UK:** ECB paper suggests two more cuts can take rates to neutral
- Japan:** Wholesale inflation jumps, reinforcing BOJ rate-hike bets
- India:** Modi brings a tariff 'gift' to Trump talks
- Philippines:** Central bank surprises by holding rates steady at 5.75%
- Vietnam:** To use Chinese loans for US\$8.3bn railway linking both countries

Companies

- CelcomDigi:** Books RM217m impairment, 4QFY2025 net profit down 64%
- Sunway:** Signs master agreement for RM2.6bn transit-oriented project in Johor
- T7 Global:** Gets sixth five-year O&G maintenance, commissioning contract
- Glomac:** Launches inaugural RM3bn sukuk programme with Maybank
- VS Industry:** 'Diamond' water filter maker NEP placed under liquidation, says VS Industry
- Thriven Global:** Hit by arbitration claim over RM7.2m alleged unpaid dues plus late interests
- Metro Healthcare:** Buys shop office in Subang Jaya for RM9.4m to expand business

<u>Upcoming key economic data releases</u>	<u>Date</u>
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	1,592.3	(0.7)	(3.0)
Dow Jones	44,711.4	0.8	5.1
Nasdaq CI	19,945.6	1.5	3.3
S&P 500	6,115.1	1.0	4.0
FTSE 100	8,764.7	(0.5)	7.2
Nikkei 225	39,461.5	1.3	(1.1)
Shanghai CI	3,332.5	(0.4)	(0.6)
HSI	21,814.4	(0.2)	8.7
STI	3,882.6	0.2	2.5

Market Activities	Last Close	% Chg
Vol traded (m shares)	2,561.3	(18.7)
Value traded (RM m)	2,223.0	(16.5)
Gainers	422	
Losers	573	
Unchanged	478	

Top 5 Volume	Last Close	Daily chg %	Vol (m)
INGENIEU	0.055	0.0	49.9
RGB	0.460	5.7	35.0
AIZO	0.120	0.0	34.6
IJM	2.310	(3.3)	29.1
HM	0.145	(9.4)	28.0

Top 5 Turnover	Last Close	Daily chg %	Val (RM m)
CIMB	8.280	(1.4)	196.7
TENAGA	13.880	(0.4)	83.4
MAYBANK	10.520	(0.8)	72.6
GAMUDA	4.500	0.2	70.4
IJM	2.310	(3.3)	67.7

Currencies	Last Close	% Chg
USD/MYR	4.4402	0.4
USD/JPY	153.01	(0.1)
EUR/USD	1.046	(0.0)
USD/CNY	7.2879	0.3
US Dollar Index	107.31	(0.6)

Commodities	Last Close	% Chg
Brent (USD/barrel)	75.0	(0.2)
Gold (USD/troy oz)	2,931	0.1
CPO (MYR/metric t)	4,700	(1.4)
Bitcoin (USD/BTC)	96,654	0.2

Economics

Malaysia: Govt to accelerate fiscal reforms for long-term resilience amid trade war, says Rafizi

Malaysia will accelerate fiscal reforms to strengthen government finances for long-term economic resilience in the face of a global trade war. New policies by the Trump administration will affect Malaysia as a trading nation and create short-term market volatility, said Economic Minister Datuk Seri Rafizi Ramli. However, investment decisions are driven by long-term considerations on Malaysia's competitiveness, he stressed. "We must address short-term sentiments in the equity and currency markets, but billion-ringgit investment decisions that create jobs over the next 10 years are based on long-term evaluations, especially concerning our fiscal position, our ability to produce high-value products, and our capacity to leverage tariff opportunities," Rafizi said. (*The Edge*)

Malaysia: Govt to introduce new investment incentive framework in 3Q2025

The government will introduce the New Investment Incentive Framework (NIIF), which will be implemented from the third quarter of 2025, said Deputy Minister of Investment, Trade and Industry Liew Chin Tong. He said the NIIF is an improvement by focusing on high-value activities and economic spillover effects for investment proposals submitted, compared to existing practices or mechanisms that offer investment incentives based on specific products or activities. "In an effort to increase the influx of foreign investments, the Madani Government is focusing on creating a paradigm shift that is no longer focused on the concept of 'made in Malaysia' but is more concerned with the new paradigm of 'made by Malaysia'." (*The Edge*)

EU: Favours negotiations over retaliation to Trump tariffs

The European Union hopes to avert a damaging trade war with the US over impending metals tariffs by prioritising negotiations rather than retaliatory countermeasures, EU officials signalled on Wednesday. Ministers responsible for trade from the bloc's 27 members met in a video conference on Wednesday to discuss the EU response to US President Donald Trump imposing 25% tariffs on all steel and aluminium imports from March 12. European Commission President Ursula von der Leyen has called those tariffs unjustified and said they would "trigger firm and proportionate counter measures". (*Bloomberg*)

UK: Escapes recession threat after posting slow growth in 2024

Britain's economy registered unexpected growth at the end of 2024, a reprieve for the Labour government after a woeful run of economic indicators. Gross domestic product rose 0.1% in the fourth quarter, an acceleration from the flat performance in the third quarter, the Office for National Statistics said Thursday. It was better than the 0.1% fall in output expected by economists, which would have posed the threat of a recession after few signs of a pick-up at the start of 2025. It came as output in December alone grew a faster-than-forecast 0.4%. (*Bloomberg*)

Japan: Wholesale inflation jumps, reinforcing BOJ rate-hike bets

Japan's annual wholesale inflation jumped to 4.2% in January, accelerating for the fifth straight month, data showed on Thursday, highlighting persistent price pressures and reinforcing market bets of a near-term interest rate hike. The data came in the wake of Bank of Japan (BOJ) governor Kazuo Ueda's warning on Wednesday that continued rises in food costs could affect the public's inflation expectations, underscoring the central bank's focus on upside price risks. The rise in the corporate goods price index (CGPI), which measures the price companies charge each other for their goods and services, exceeded a median market forecast for a 4.0% increase, and followed a revised 3.9% increase in December. (*Reuters*)

Philippines: Central bank surprises by holding rates steady at 5.75%

The Philippine central bank unexpectedly kept rates steady on Thursday, its governor announced, leaving the overnight borrowing rate at 5.75%. The BSP had cut rates by 25 basis points at each of its previous three policy reviews. Explaining the surprise decision, governor Eli Remolona said that further policy easing was still likely, but for now the outlook for inflation and growth was uncertain given global trade developments. "Before deciding on the timing and magnitude of further reductions in the policy interest rate, the Monetary Board deems it prudent to weigh further assessments of the impact of global policy uncertainty and the potential effects of the actual policies," he told a press conference. The central bank raised its risk-adjusted inflation forecast for 2025 to 3.5% from 3.4%. (*Reuters*)

Vietnam: To use Chinese loans for US\$8.3bn railway linking both countries

Vietnam plans to take loans from the Chinese government to partly fund a US\$8.3bn (RM36.9bn) project to build a new railway linking the two countries, the transport minister said on Thursday. Vietnam has been seeking to upgrade its ageing railway systems, and has approached China for funding and technology. "Vietnam's current railway system is outdated, and the country needs a new system to support its economic development," transport minister Nguyen Hong Minh told parliament. The 391km (243-mile) railway will run from the border city of Lao Cai through capital city Hanoi to Haiphong that houses the largest seaport in northern Vietnam, Minh said. (*Reuters*)

Companies

CelcomDigi: Books RM 217m impairment, 4QFY25 net profit down 64%

CelcomDigi Bhd said on Thursday its net profit fell nearly 64% in the final quarter of 2024 from a year earlier, primarily due to higher depreciation and impairment charges. Net profit for the three months ended Dec 31, 2024, was RM157m, down 63.9% year-on-year from RM435.2m in the same period in 2023, according to an exchange filing on Thursday. The mobile network operator booked an impairment charge of RM217.2m, while revenue for the quarter was barely higher at RM3.3bn, a marginal 0.03% increase year-on-year. *(The Edge)*

Sunway: Signs master agreement for RM2.6bn transit-oriented project in Johor

Sunway Bhd said on Thursday it had signed a master agreement for a mixed-use development worth more than RM2.6bn in Johor. The transit-oriented project, adjacent to the Bukit Chagar station under the Johor Bahru–Singapore Rapid Transit System, involves the development of four residential and commercial towers; Sunway will also get the right to build a shopping mall, it said in an exchange filing. *(The Edge)*

T7 Global: Gets sixth five-year O&G maintenance, commissioning contract

T7 Global Bhd's subsidiary Tanjung Offshore Services Sdn Bhd has been awarded a contract by EnQuest Petroleum Production Malaysia Ltd for maintenance, construction, and modification, as well as hook-up and commissioning services under the B3 Package, with an initial duration of five years. The upstream oil and gas (O&G) contract, which commenced on Dec 4, 2024 and runs until Dec 3, 2029, includes two extension options — three years for the first and two years for the second. This is T7 Global's sixth such award, which was first announced in November last year with ExxonMobil Exploration and Production Malaysia Inc as its first client, under Package B2 – Guntong. *(The Edge)*

Glomac: Launches inaugural RM3bn sukuk programme with Maybank

Property developer Glomac Bhd has established an Islamic medium-term note (IMTN) programme of up to RM3bn in nominal value with Malayan Banking Bhd, to be utilised for land acquisition, capital expenditure and working capital. Glomac group managing director and CEO Datuk Seri FD Iskandar Mohamed Mansor said the programme would fortify the group's financial reserves and enhance its ability to seize land banking opportunities. He also noted that the sukuk wakalah programme forms part of a broader strategy to optimise Glomac's liabilities and support its long-term growth initiatives. *(The Edge)*

VS Industry: 'Diamond' water filter maker NEP placed under liquidation, says VS Industry

VS Industry Bhd said water filtration system maker NEP Holdings (M) Bhd has been placed under liquidation after the Court of Appeal dismissed NEP's appeal against the High Court's decision to dismiss their application for a stay of a winding up order. "Following this, NEP's liquidators have obtained the certificate of appointment as liquidator from the insolvency department and have taken control of NEP's business and operations," the electronics manufacturing services provider said in a statement on Thursday. Last month, the High Court ruled in VS Industry's favour in its minority shareholder oppression suit against NEP Holdings (M) Bhd and three directors; the decision came with an order for NEP to be wound up. *(The Edge)*



Thriven Global: Hit by arbitration claim over RM7.2m alleged unpaid dues plus late interests

Property developer Thriven Global Bhd said Setiakon Builders Sdn Bhd has initiated arbitration proceedings against its wholly owned subsidiary Mayfair Ventures Sdn Bhd over what Setiakon claimed were unpaid dues for completed work. Setiakon is claiming about RM4.4m that it alleged is an outstanding amount that Mayfair has yet to pay, plus RM2.8m of late interests; Mayfair is disputing the claimed amounts, according to Thriven's filing with Bursa on Thursday. According to Thriven, the group plans to file a counterclaim against Setiakon for RM1.8m for liquidated ascertained damages (LAD), as it claims that the contractor had delayed in completing the defect rectification for a 35-storey serviced apartment project of which Mayfair is the developer. *(The Edge)*

Metro Healthcare: Buys shop office in Subang Jaya for RM9.4m to expand business

Metro Healthcare Bhd is acquiring a four-storey shop office in Subang Jaya for a cash consideration of RM9.4m to expand its business. The property is currently tenanted and operating as a private maternity hospital, with the proposed acquisition serving as another key asset in Metro's expansion strategy, according to the fertility, obstetrics and gynaecology (OB-GYN) services provider statement on Thursday. With this acquisition, Metro Healthcare said it is committed to enhancing access to high-quality OB-GYN services in Malaysia, particularly in high-demand urban locations. *(The Edge)*

Stock Selection Based on Dividend Yield

	Sector	Price (RM)	Dividend/Share (RM)	Dividend Yield (%)
Bermaz Auto	Consumer	1.28	0.17	12.89
Datasonic Group	Technology	0.33	0.03	9.09
MBM Resources	Consumer	5.81	0.53	9.04
British American Tobacco (M)	Consumer	7.30	0.58	7.92
Sentral REIT	REIT	0.79	0.06	7.90
Amway (M)	Consumer	6.85	0.53	7.69
KIP REIT	REIT	0.88	0.07	7.61
Ta Ann Holdings	Plantation	4.02	0.30	7.49
CapitaLand Malaysia Trust	REIT	0.67	0.05	7.16
Genting Malaysia	Consumer	2.27	0.16	6.92
YTL Hospital REIT	REIT	1.21	0.08	6.86
Hektar REITS	REIT	0.53	0.04	6.67
Paramount Corporation	Property	1.09	0.07	6.42
Sports Toto	Consumer	1.59	0.10	6.29
REXIT	Technology	0.81	0.05	6.17

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		
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
Pantech Global Bhd	Main Market	0.68	262.2	-	19 Feb	03 Mar

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