



Daily Newswatch

Market Review

The FBM KLCI closed flat at 1,591.6 amid mixed sentiment, even after Bank Negara released the GDP data, showing Malaysia's economy grew by 5.0%—slightly exceeding expectations. Losses in CDB (-8.5%), 99SMART (-2.7%), and MRDIY (-2.5%) dragged the index lower. Sector-wise, Energy (-2.4%) led the declines, followed by Telecommunications & Media (-1.5%) and Transportation & Logistics (-0.7%). The broader market remained subdued, with 597 decliners outpacing 433 gainers.

Economics

- US:** Trump says he won't mind if Nippon Steel took minority stake in US Steel
- US:** Industrial production rises on utilities in cold winter snap
- EU:** Calls Trump's reciprocal tariffs plan step in wrong direction
- UK:** Resurging UK inflation will keep BOE cautious on cutting rates
- China:** PBOC chief says price growth, consumer demand 'can be stronger'
- China:** January bank lending hits record high on policy stimulus
- Japan:** Seeks exemption from Trump's reciprocal trade tariffs
- Thailand:** PM says economic corridor crucial to US\$30bn trade target with Malaysia

Companies

- Marine & General:** Bags vessel provision contracts worth RM300m
- Master Tec Group:** Wins TNB supply contract worth RM108m
- MAHB:** GDA to compulsorily acquire remaining MAHB shares at RM11 apiece
- Maxis:** Johan Idris named as Maxis' new chairman
- Able Global:** CEO now also remanded by authorities as part of graft probe into chairman
- YBS:** unaware of reason for UMA, save for MOU to acquire precision manufacturing companies for RM167m
- Waja Konsortium:** Bursa Malaysia publicly reprimands Waja Konsortium, fines two directors for failure to announce GN3 status on time

<u>Upcoming key economic data releases</u>	<u>Date</u>
US – Jan 2025 FOMC	Feb 20
Malaysia – Jan 2024 Inflation Rate	Feb 21

Key Indices	Last Close	Daily chg %	YTD chg %
FBM KLCI	1,591.6	(0.0)	(3.1)
Dow Jones	44,546.1	(0.4)	4.7
Nasdaq CI	20,026.8	0.4	3.7
S&P 500	6,114.6	(0.0)	4.0
FTSE 100	8,732.5	(0.4)	6.8
Nikkei 225	39,149.4	(0.8)	(1.9)
Shanghai CI	3,346.7	0.4	(0.2)
HSI	22,620.3	3.7	12.8
STI	3,877.5	(0.1)	2.4

Market Activities	Last Close	% Chg
Vol traded (m shares)	3,274.6	27.9
Value traded (RM m)	2,403.0	8.1
Gainers	433	
Losers	597	
Unchanged	446	

Top 5 Volume	Last Close	Daily chg %	Vol (m)
DIALOG	1.570	(13.3)	208.4
VELESTO	0.185	0.0	67.9
HM	0.150	3.4	63.6
NOTION	0.920	(20.0)	51.6
EAH	0.005	0.0	48.6

Top 5 Turnover	Last Close	Daily chg %	Val (RM m)
DIALOG	1.570	(13.3)	315.1
CIMB	8.350	0.8	128.9
GAMUDA	4.520	0.4	82.4
GENM	2.410	6.2	69.6
GENTING	3.850	4.6	60.3

Currencies	Last Close	% Chg
USD/MYR	4.4348	0.5
USD/JPY	152.31	0.3
EUR/USD	1.0492	0.3
USD/CNY	7.2572	0.4
US Dollar Index	106.71	(0.6)

Commodities	Last Close	% Chg
Brent (USD/barrel)	74.7	(0.4)
Gold (USD/troy oz)	2,883	(1.6)
CPO (MYR/metric t)	4,700	0.7
Bitcoin (USD/BTC)	97,101	(0.6)

Economics

US: Trump says he won't mind if Nippon Steel took minority stake in US Steel

US President Donald Trump said on Friday he would not mind if Nippon Steel took a minority stake in US Steel, but noted the Japanese company was considering purchases of US Steel's debt. Trump's remarks were made to reporters at the White House days after the Republican president ruled out a purchase of the struggling American steelmaker by the Japanese giant. "A minority stake...I wouldn't mind greatly," Trump said in response to a question on whether he would support such a move by Nippon Steel. *(Bloomberg)*

US: Industrial production rises on utilities in cold winter snap

US industrial production rose in January by more than forecast, boosted by utilities usage in a month marked by colder temperatures, while a sharp decline in motor vehicle output restrained manufacturing. The 0.5% increase in production at factories, mines and utilities followed a revised 1% gain a month earlier, Federal Reserve data showed on Friday. The median estimate of Bloomberg survey of economists was a 0.3% increase. *(Bloomberg)*

EU: Calls Trump's reciprocal tariffs plan step in wrong direction

European Commission President Ursula von der Leyen said the bloc will respond if Donald Trump follows through on his threat to impose global reciprocal tariffs, calling them a "step in the wrong direction". The European Union is still waiting to learn the details of Trump's proposal, for which he set an April 1 deadline. Trump cited barriers in the EU, including a value-added tax, as an example of the unfair trading rules that the US is looking to respond to. *(Bloomberg)*

UK: Resurging UK inflation will keep BOE cautious on cutting rates

UK inflation probably hit its highest level in 10 months in January, continuing a resurgence in price pressures that has made the Bank of England wary over rushing into interest-rate cuts. Data on Wednesday are expected to show consumer prices rising 2.8% compared to a year earlier, driven by a jump in private school fees and a reversal of volatile factors that weakened inflation in December, according to the median projection of economists surveyed by Bloomberg. The figures may support worries among BOE rate-setters that Britain's inflation outlook is darkening at a time when the economy is also stagnating. *(Bloomberg)*

China: PBOC chief says price growth, consumer demand 'can be stronger'

China's price growth and consumer demand "can be stronger" amid a sound economy and reduced risks from local government debt and the property market, central bank governor Pan Gongsheng said. The country will adopt a more proactive fiscal policy and an accommodative monetary policy, Pan said at a conference in Alula, Saudi Arabia. China, like other emerging market economies, faces risks from "rising trade protectionism, geopolitical tensions and the fragmentation of the global economy," Pan said. *(Reuters)*

China: January bank lending hits record high on policy stimulus

New bank loans in China surged more than expected to a record high in January as the central bank moved to shore up a patchy economic recovery, reinforcing expectations for more stimulus in coming months as US tariffs threaten to pile more pressure on the economy. Chinese banks extended 5.13tn yuan (US\$706.4bn or RM3.1tn) in new yuan loans in January, more than quadrupling the December figure, data from the People's Bank of China showed on Friday, beating analysts' forecasts. Analysts polled by Reuters had predicted new yuan loans would rise to 4.5tn yuan last month, up sharply from 990bn yuan in December and compared with 4.92tn yuan a year earlier — the previous record. *(Reuters)*

Japan: Seeks exemption from Trump's reciprocal trade tariffs

Japan has asked to be exempted from the so-called reciprocal tariffs that Donald Trump plans to adopt this year as the Asian nation works to minimise any potential fallout. Foreign Minister Takeshi Iwaya sought the country's exclusion from the tariffs when he met US Secretary of State Marco Rubio during the Munich Security Conference, according to a transcript of the meeting dated Feb 15 released by Japan's foreign ministry. "I relayed my thoughts to Rubio that Japan should not be one of the countries subject to reciprocal tariffs," Iwaya was quoted as saying. (*Reuters*)

Thailand: PM says economic corridor crucial to US\$30bn trade target with Malaysia

Thailand and Malaysia are accelerating efforts to unlock the full potential of cross-border trade and investment, aiming to establish a thriving economic corridor along their shared border. Thai Prime Minister Paetongtarn Shinawatra has emphasised the importance of stronger ties, streamlined regulations, and enhanced infrastructure to achieve a US\$30bn bilateral trade target by 2027. Paetongtarn, 38, noted that Malaysia is one of Thailand's largest trading partners in Asean, with an average trade value of US\$24.7bn (RM109.7bn) per annum from 2017 to 2023. (*Reuters*)

Companies

Marine & General: Bags vessel provision contracts worth RM300m

NPC Resources Bhd's co-founder Datuk Loo Pang Kee has formally launched his bid to privatise the Sabah-based palm oil producer Loo, together with his vehicle Jubilant Ventures Sdn Bhd, have proposed a selective capital reduction and corresponding capital repayment to buy out the remaining shareholders of NPC Resources at RM2.82 per share, according to a letter from Loo and the vehicle received by NPC Resources on Friday. Loo, who is NPC Resources group managing director cum CEO, controls a 56.6% stake or 66m shares in NPC Resources. The RM2.82 apiece price-tag values the group at a trailing price-to-earnings ratio (PER) of 10.67 times, and price-to-net asset value (P/NAV) ratio of 0.56 times. *(The Edge)*

Master Tec Group: Wins TNB supply contract worth RM108m

Master Tec Group Bhd's wholly-owned subsidiary Master Tec Wire & Cable Sdn Bhd has bagged a supply contract from Tenaga Nasional Bhd worth RM107.8m. According to the company's bourse filing, the contract is related to the supply and delivery of underground cables as well as conductors of various sizes to cater for Tenaga's distribution network. The contract has a duration of one year as well as an option to extend for another one year. As such, Master Tec believes that the new contract will contribute positively towards its earnings and net assets per share in FY2025 and FY2026. *(The Edge)*

MAHB: GDA to compulsorily acquire remaining MAHB shares at RM11 apiece

Gateway Development Alliance Sdn Bhd has proposed to compulsorily acquire all of the Malaysia Airports Holdings Bhd shares from dissenting shareholders at RM11 per share. AmlInvestment Bank Bhd, on behalf of the joint offerors, told Bursa Malaysia on Friday that the exercise is pursuant of the provision of Section 222 of the Capital Markets and Services Act (CMSA). Subject to the provisions of the CMSA, GDA shall be registered as the holder of all the remaining MAHB shares not already held by the joint offerors after the expiration of one month from the date of the compulsory acquisition notice. *(The Edge)*

Maxis: Johan Idris named as Maxis' new chairman

Maxis Bhd has appointed KPMG Malaysia chairman Datuk Johan Idris as the company's new chairman, effective March 1. Johan's appointment comes after Tan Sri Mokhzani Mahathir stepped down from the role back in June last year. Independent director Datuk Hamidah Naziadin has been serving as interim chairman since then. Besides being KPMG Malaysia chairman, Johan currently serves as a board director of National University Malaysia and is a board member of the Capital Market Compensation Fund Corp of Securities Commission Malaysia, according to the mobile network operator's bourse filing on Friday. *(The Edge)*

Able Global: CEO now also remanded by authorities as part of graft probe into chairman

Able Global Bhd said on Friday that an anti-graft investigation into its chairman has also snagged its chief executive officer Edward Goh Swee Wang. Goh has been remanded by the Malaysian Anti-Corruption Commission (MACC) to facilitate an ongoing investigation in relation to executive chairman Ng Keng Hoe, Able Global said in an exchange filing. The investigation is related to Ng's private company matters, it said. During the course of this ongoing investigation, the company and its personnel remain committed to fully cooperating with the relevant authorities to facilitate a swift and efficient resolution, Able Global said. *(The Edge)*



YBS: Unaware of reason for UMA, save for MOU to acquire precision manufacturing companies for RM167m

YBS International Bhd said except for its memorandum of understanding (MOU) to acquire the entire stake in precision manufacturing companies for US\$38m (RM167.2m) announced back in September last year, it is unaware of any corporate development that may explain the unusual market activity (UMA) in its share price, which touched a two-year low. The precision machining firm noted the MOU to acquire Allied Technologies Pte Ltd's precision manufacturing services units, Allied Precision Manufacturing (M) Sdn Bhd, Allied Precision Technologies (M) Sdn Bhd, Allied Precision (Thailand) Co Ltd and Allied Technologies (Saigon) Co Ltd, is amid finalizations. The board is not aware of any corporate development relating to the group's business and affairs that has not been previously announced that may account for the trading activity, including those in the stage of negotiation/discussion, YBS said in a bourse filing on Friday. *(The Edge)*

Waja Konsortium: Bursa Malaysia publicly reprimands Waja Konsortium, fines two directors for failure to announce GN3 status on time

Bursa Malaysia Securities has publicly reprimanded Waja Konsortium Bhd and fined two of its directors RM100,000 each for the construction company's failure to disclose its financially distressed status on time. Waja was found to have breached the ACE Market Listing Requirements (ACE LR) by delaying the announcement on the company triggering the prescribed criteria of Guidance Note 3 (GN3) following its quarterly report for the financial period ended June 30, 2023. Despite releasing the quarterly results on Aug 24, 2023, Waja only made the announcement on its GN3 status one and a half months later on Oct 10, 2023, following an intervention by Bursa Malaysia. *(The Edge)*



Stock Selection Based on Dividend Yield

	Sector	Price (RM)	Dividend/Share (RM)	Dividend Yield (%)
Bermaz Auto	Consumer	1.27	0.17	12.99
MBM Resources	Consumer	5.77	0.53	9.10
Datasonic Group	Technology	0.34	0.03	8.96
British American Tobacco (M)	Consumer	7.28	0.58	7.94
Sentral REIT	REIT	0.79	0.06	7.90
Amway (M)	Consumer	6.80	0.53	7.75
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	7.22
YTL Hospital REIT	REIT	1.21	0.08	6.86
Hektar REITS	REIT	0.52	0.03	6.73
REXIT	Technology	0.75	0.05	6.67
Genting Malaysia	Consumer	2.41	0.16	6.51
Paramount Corporation	Property	1.10	0.07	6.36
Sports Toto	Consumer	1.59	0.10	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		
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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Published & Printed By:

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