



Daily Newswatch

Market Review

The FBM KLCI closed lower at 1,582.8 (-0.6%) on Monday, as sustained foreign fund outflows continued to weigh on the market, despite broadly positive performance across most regional peers. Among the index constituents, 99SMART (-3.3%), YTLPOWR (-3.2%), and MRDIY (-3.2%) are the top 3 laggards. Sector-wise, Construction (-1.5%) led the declines, primarily dragged by weakness in index-heavyweights such as SUNCON (-4.6%), IJM (-2.2%), and GAMUDA (-1.3%). The broader market breadth remained negative, with 715 decliners outpacing 313 gainers.

Economics

- Malaysia:** US tariffs on steel, aluminium to have minimal impact on Malaysia's exports
- Malaysia:** Asean must expand ties amid US-China trade war; Malaysia will not take sides
- US:** Trump shrugs off EU's reported plans for Trump-style import curbs on food
- China:** Trade war fear fans rush for foreign-currency deposits in China
- China:** Says stable yuan key to world economy hit by strong dollar
- New Zealand:** Sees record number of departures amid weak economy
- Thailand:** 4Q GDP growth misses forecast, US trade policy poses risks for 2025

Companies

- EcoWorld Malaysia:** Sells second plot of Johor land to Microsoft for RM694m
- Kinergy Advancement:** Partners Perak state agency to develop 29 renewable energy projects
- K Seng Seng:** Chin Hin's Chiau family buys 5.4% in K Seng Seng for RM8.3m
- MGRC:** Proven Venture Capital emerges as substantial shareholder in MGRC
- Maybank:** Announces departure of CFO Khalijah Ismail after internal inquiry
- YNH Property:** To release independent review of JV and turnkey contracts by March 17

Upcoming key economic data releases

Date

US – Jan 2025 FOMC	Feb 20
Malaysia – Jan 2025 Inflation Rate	Feb 21
US – Feb 2025 Manufacturing PMI	Mar 03
Malaysia – Interest Rate Decision	Mar 06
US – Feb 2025 NFP, Unemployment Rate	Mar 07
Malaysia – Jan 2025 Unemployment Rate	Mar 11
US – Feb 2025 CPI	Mar 12
US – Feb 2025 CPI	Mar 13
US – Fed Interest Rate Decision & FOMC	Mar 20
Malaysia – Jan 2025 Inflation Rate	Mar 21

Key Indices	Last Close	Daily chg %	YTD chg %
FBM KLCI	1,582.8	(0.6)	(3.6)
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	8,768.0	0.4	7.3
Nikkei 225	39,174.3	0.1	(1.8)
Shanghai CI	3,355.8	0.3	0.1
HSI	22,616.2	(0.0)	12.7
STI	3,904.9	0.7	3.1

Market Activities	Last Close	% Chg
Vol traded (m shares)	2,988.7	(8.7)
Value traded (RM m)	1,957.2	(18.6)
Gainers	313	
Losers	715	
Unchanged	465	

Top 5 Volume	Last Close	Daily chg %	Vol (m)
RTECH	0.320	28.0	223.1
DIALOG	1.560	(0.6)	56.1
HM	0.150	0.0	55.6
INGENIEU	0.055	10.0	49.7
TWL	0.020	(20.0)	39.2

Top 5 Turnover	Last Close	Daily chg %	Val (RM m)
CIMB	8.300	(0.6)	143.3
DIALOG	1.560	(0.6)	87.4
RTECH	0.320	28.0	87.4
GAMUDA	4.460	(1.3)	86.4
GENM	2.440	1.2	77.2

Currencies	Last Close	% Chg
USD/MYR	4.435	(0.0)
USD/JPY	151.57	(0.0)
EUR/USD	1.0484	0.0
USD/CNY	7.2643	(0.1)
US Dollar Index	106.58	(0.1)

Commodities	Last Close	% Chg
Brent (USD/barrel)	75.2	0.6
Gold (USD/troy oz)	2,900	0.1
CPO (MYR/metric t)	4,722	(0.4)
Bitcoin (USD/BTC)	95,965	(0.5)

Economics

Malaysia: US tariffs on steel, aluminium to have minimal impact on Malaysia's exports

US tariffs on steel and aluminium imports are expected to have little impact on Malaysia, according to Minister of Investment, Trade and Industry Tengku Datuk Seri Zafrul Abdul Aziz. Malaysia "currently has a moratorium on any new plants or expansion of steel and aluminium" given the current overcapacity. Coupled with the country's small export volume to the US, the tariffs are unlikely to have a significant effect, Zafrul told the press on the sidelines of the China Conference Southeast Asia 2025, hosted by the South China Morning Post. "Whatever happens in the US will not have a major impact," he added. "Malaysia is not a major steel exporter, and our biggest export to the US is the electrical and electronics (E&E) sector." (*The Edge*)

Malaysia: Asean must expand ties amid US-China trade war; Malaysia will not take sides

Southeast Asian countries must expand their global engagement beyond traditional partners amid the US-China trade war, said Malaysia's Prime Minister Datuk Seri Anwar Ibrahim. Strengthening ties with the Gulf Cooperation Council and the BRICs bloc of Brazil, Russia, India, China and South Africa, as well as other emerging economies will ensure the Association of Southeast Asian Nations' (Asean) strategic relevance, he said at the China Conference Southeast Asia 2025. "By diversifying its partnerships, Asean can enhance its economic resilience, tap into new investment opportunities and play a more proactive role in shaping global governance frameworks," he said in his keynote address. (*The Edge*)

US: Trump shrugs off EU's reported plans for Trump-style import curbs on food

US President Donald Trump on Sunday shrugged off the European Union's reported push to block imports of US soybeans and other foods made to different standards, warning such a move would only hurt Europe itself. Trump, speaking to reporters after a quick trip to Daytona Beach for the Daytona 500 car race, said the US was sticking to its plans to start implementing reciprocal tariffs. "That's alright. I don't mind. Let them do it. Let them do it. It's just hurting themselves if they do that," he said. (*Bloomberg*)

China: Trade war fear fans rush for foreign-currency deposits in China

Chinese corporates and households ramped up foreign-currency deposits in January, signalling concern over potential yuan depreciation in the backdrop of trade tensions with the US. Total foreign-currency deposits onshore rose nearly US\$40bn (RM177.3bn) in January, the largest monthly increase since April 2021, according to data from the People's Bank of China released Friday. Both the residents and the non-financial enterprises increased such savings, the data show. The rush to convert yuan into foreign currencies underscores concern that the local unit would depreciate in case of an escalation of a trade war with the US. While the yuan has bounced back from a one-year low touched in January, on the possibility of an end of the war in Ukraine, the prospect of reciprocal US tariffs from Donald Trump's administration still poses a risk for the currency. (*Bloomberg*)

China: Stable yuan key to world economy hit by strong dollar

China's central bank governor said a steady yuan has contributed to the stability of global financial markets and economies around the world, drawing a contrast with a dollar that's surged as part of fallout from Donald Trump's tariffs. While many currencies have depreciated recently against the greenback, the yuan has remained largely stable, People's Bank of China (PBOC) governor Pan Gongsheng said in a keynote speech at a conference in AIUla, Saudi Arabia, on Sunday. "A stable yuan has played a key role in maintaining global financial and economical stability," Pan said at the conference organized by the International Monetary Fund and the Saudi Finance Ministry. "We will adopt macro-prudential policies in times of exchange rate overshooting so as to keep the renminbi exchange rate basically stable at an adaptive and equilibrium level." (*Reuters*)



New Zealand: Sees record number of departures amid weak economy

A record number of people left New Zealand last year, as high living costs and a deep recession prompted them to seek opportunities overseas. Departures rose to 128,705 last year from 101,585 in 2023, Statistics New Zealand said on Monday in Wellington. Annual arrivals declined, resulting in a sharp drop in net immigration. Both the increase in departures and the decline in foreign arrivals reflect a weaker labour market and slowing wage growth in an economy that contracted 2.1% in the six months through September. While that takes pressure off the housing market, slower population growth may also impede an economic recovery, as the government pushes a pro-growth agenda ahead of the 2026 election. *(Reuters)*

Thailand: 4Q GDP growth misses forecast, US trade policy poses risks for 2025

Thailand's economy grew less than expected into the end of 2024, data showed on Monday, and analysts said hopes of an improving outlook for this year are clouded by concerns that the country's export engine could be hit with US tariffs. Southeast Asia's second-largest economy grew 3.2% in the October-December quarter from a year earlier, up from a 3.0% pace in the previous quarter, the National Economic and Social Development Council (NESDC) said. That missed the median forecast of 3.9% growth in a Reuters poll but was still the strongest annual rate in nine quarters. *(Reuters)*

Companies

EcoWorld Malaysia: Sells second plot of Johor land to Microsoft for RM694m

Property developer Eco World Development Group Bhd (EcoWorld Malaysia) is selling another piece of industrial land measuring 138.5 acres located within its Eco Business Park I development in Iskandar Malaysia, Johor to Microsoft Payments (Malaysia) Sdn Bhd for RM694m cash. This follows the sale of a 123.1-acre industrial land within Eco Business Park VI in Iskandar Malaysia to Microsoft for RM402.3m for the latter's development and operation of a data centre in June last year. EcoWorld Malaysia said these land sales demonstrate the southern state and Malaysia's continued attractiveness as a hub for hyperscale data centre operators and is also testament to the suitability of the group's industrial parks as ideal sites for such high-tech operations. *(The Edge)*

Kinergy Advancement: Partners Perak state agency to develop 29 renewable energy projects

Kinergy Advancement Bhd's wholly owned subsidiary KAB Energy Holdings Sdn Bhd (KABEH) is collaborating with Perbadanan Kemajuan Negeri Perak (PKNPK) for the development of 29 potential renewable energy projects in Perak, with a total capacity of over 1,800 megawatts (MW). The energy solution provider and Perak state agency said in a joint statement that they would identify, evaluate and develop renewable energy projects in Perak by utilising KAB's technical expertise to drive innovative energy developments. Aligned with Perak Sejahtera 2030's Flagship 12: Water Resources and Renewable Energy, this partnership not only enhances the energy resilience of Perak, but also contributes to the broader national goals of sustainable and renewable energy development. *(The Edge)*

K Seng Seng: Chin Hin's Chiau family buys 5.4% in K Seng Seng for RM8.3m

Chin Hin Group-linked Chiau Haw Loon and Chiau Haw Yew have emerged as the third largest shareholder of K Seng Seng Corporation Bhd after acquiring a 5.4% stake in the company via a direct business transaction. The brothers, via private entity Enrich Signature Sdn Bhd, bought 10m shares in KSSC last Friday (Feb 14) at 83 sen per share — a 10.7% premium over KSSC's net tangible asset per share of 75 sen — for RM8.3m, Bloomberg data showed. The brothers are sons of Chin Hin Group founder Datuk Seri Chiau Beng Teik. *(The Edge)*

MGRC: Proven Venture Capital emerges as substantial shareholder in MGRC

Malaysia-based venture capital firm Proven Venture Capital PLT has emerged as a substantial shareholder in loss-making genomics and biopharmaceutical specialist Malaysian Genomics Resource Centre Bhd with a 7.1% stake, after acquiring 9.8m shares from the open market. The transacted price was not disclosed, but the counter closed at 33 sen on the open market on Feb 13, the date the equity interest was acquired, which works out to a total of RM3.2m for the share purchase. With this, Proven Venture is now the second largest shareholder in MGRC after corporate finance services firm Rinani Group Bhd, which holds a 10.6% stake as at March 22, 2024. Other substantial shareholders of MGRC include fund management business firm Pixelvest Sdn Bhd, which owns a 6.83% stake, according to MGRC's annual report 2023. *(The Edge)*

Maybank: Announces departure of CFO Khalijah Ismail after internal inquiry

Malayan Banking Bhd, Malaysia's largest banking group, on Monday announced the departure of its group chief financial officer Khalijah Ismail with immediate effect, following an internal inquiry. In a bourse filing, Maybank said it has commenced the process to identify a new group CFO. The board will make the necessary announcement once the new group CFO is appointed. In the interim, Malique Firdaus Ahmad Sidiq will assume the position of acting group CFO, with effect from Feb 17, 2025, it said. *(The Edge)*



YNH Property: To release independent review of JV and turnkey contracts by March 17

YNH Property Bhd said Messrs UHY has completed the independent assessment of certain joint ventures (JVs) and turnkey contracts entered into by its wholly owned subsidiary Kar Sin Bhd. Barring any unforeseen circumstances, the property developer expects the final special independent review (SIR) report to be completed and issued by March 17. In a filing with Bursa Malaysia on Monday, YNH Property said while UHY has issued the draft SIR report, it is currently under review and verification by the company's audit committee. "This process ensures the accuracy and completeness of the findings before the report is formally presented to the board of directors for deliberation and approval," it added. (*The Edge*)



Stock Selection Based on Dividend Yield

	Sector	Price (RM)	Dividend/Share (RM)	Dividend Yield (%)
Bermaz Auto	Consumer	1.26	0.17	13.10
MBM Resources	Consumer	5.75	0.53	9.13
Datasonic Group	Technology	0.33	0.03	9.09
Sentral REIT	REIT	0.79	0.06	7.90
British American Tobacco (M)	Consumer	7.33	0.57	7.83
Amway (M)	Consumer	6.85	0.53	7.69
KIP REIT	REIT	0.88	0.07	7.66
Ta Ann Holdings	Plantation	3.99	0.30	7.54
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	2.44	0.16	6.43
Paramount Corporation	Property	1.09	0.07	6.42
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		
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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