



Daily Newswatch

Market Review

The FBM KLCI edged higher by 0.1% to close at 1,584.8 amid mixed investors' sentiment. Notable gainers within the index included MAXIS (+2.9%), 99SMART (+1.4%), and CIMB (+1.2%). However, sectoral performance was mixed. The Health Care sector (-5.4%) was the clear underperformer, as heavy selling pressure hit rubber glove manufacturers. HARTA (-23.2%), KOSSAN (-16.2%), and TOPGLOV (-13.8%) saw sharp declines following HARTA's weaker-than-expected 3Q earnings and cautious guidance for the remainder of the financial year. Despite the marginal gain in the benchmark index, overall market breadth remained weak, with 643 decliners outnumbering 397 gainers.

Economics

- Malaysia:** MDEC intensifies push for 25.5% digital economy contribution to Malaysia's GDP by end-2025
- US:** Fed's Waller favours pausing rate cuts until inflation bump fades
- EU:** Top European central bankers push for simpler banking rules
- UK:** Wage growth picked up more speed in 4Q
- China:** Seeks debate on trade turbulence at WTO after Trump tariffs
- Singapore:** Flags investment plans from chips to energy in budget
- Indonesia:** Forces exporters to keep FX earnings onshore

Companies

- Maxis:** Reports fivefold jump in 4Q net profit, declares five sen dividend
- Deleum:** Bags five-year contract from Petronas Carigali
- EcoWorld:** Takes full control of Puncak Alam-based developer after buying out EPF's 40% stake
- Sunzen:** Sells two animal health subsidiaries for RM17.3m
- Able Group:** Says chairman, CEO released from MACC remand
- Systech:** Teams up with Permodalan Kedah for high-tech projects including tech parks, data centres
- GDB:** Wins RM83m in new adjudication involving payments for 8 Conlay project
- Tropicana Corp:** Dianthus serviced residences at Tropicana Gardens PJ receives GBI Silver certification

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	1,584.8	0.1	(3.5)
Dow Jones	44,556.3	0.0	4.7
Nasdaq CI	20,041.3	0.1	3.8
S&P 500	6,129.6	0.2	4.2
FTSE 100	8,766.7	(0.0)	7.3
Nikkei 225	39,236.0	(0.1)	(1.7)
Shanghai CI	3,324.5	(0.9)	(0.8)
HSI	22,976.8	1.6	14.5
STI	3,925.6	0.5	3.6

Market Activities	Last Close	% Chg
Vol traded (m shares)	3,618.7	21.1
Value traded (RM m)	2,647.2	35.3
Gainers	397	
Losers	643	
Unchanged	477	

Top 5 Volume	Last Close	Daily chg %	Vol (m)
TECHSTORE	0.220	10.0	262.8
TOPGLOV	1.000	(13.8)	99.3
HARTA	2.610	(23.2)	93.8
INGENIEUE	0.060	9.1	78.7
ASIAPLY	0.125	(24.2)	60.8

Top 5 Turnover	Last Close	Daily chg %	Val (RM m)
HARTA	2.610	(23.2)	263.3
MAYBANK	10.540	(0.2)	132.5
TOPGLOV	1.000	(13.8)	104.8
CIMB	8.400	1.2	100.2
GENM	2.420	(0.8)	86.5

Currencies	Last Close	% Chg
USD/MYR	4.4458	0.0
USD/JPY	151.91	0.1
EUR/USD	1.0446	0.0
USD/CNY	7.2755	(0.2)
US Dollar Index	107.05	0.4

Commodities	Last Close	% Chg
Brent (USD/barrel)	75.8	0.8
Gold (USD/troy oz)	2,932	(0.1)
CPO (MYR/metric t)	4,741	1.0
Bitcoin (USD/BTC)	95,498	0.5

Economics

Malaysia: MDEC intensifies push for 25.5% digital economy contribution to Malaysia's GDP by end-2025

The Malaysia Digital Economy Corporation (MDEC) has reaffirmed its commitment to supporting Malaysia in achieving a 25.5% digital economy contribution to gross domestic product (GDP) by year end. MDEC aims to enhance the competitiveness of small and medium enterprises (SMEs), attract high-quality investments, and develop a digitally skilled workforce to future-proof the economy, said its chief executive officer Anuar Fariz Fadzil in a statement. "A strong area of focus for MDEC is the acceleration of state-level digital growth, aiming to enhance digital infrastructure, nurture AI ecosystems, and drive SME digitalisation to elevate national competitiveness. This focused approach is aimed at empowering states to leverage their unique strengths while contributing to Malaysia's broader digital economy objectives," he said. *(The Edge)*

US: Fed's Waller favours pausing rate cuts until inflation bump fades

Federal Reserve governor Christopher Waller said recent economic data support keeping interest rates on hold, but if inflation behaves as it did in 2024, policymakers can get back to cutting "at some point this year." "If this wintertime lull in progress is temporary, as it was last year, then further policy easing will be appropriate," Waller said in remarks he's scheduled to deliver on Tuesday in Sydney. "But until that is clear, I favour holding the policy rate steady." The Fed lowered rates by 1.0 percentage point in the closing months of 2024 before leaving them unchanged at their January policy meeting, a decision that looked sound when new data showed the consumer price index rose 0.5% in January, the most since August 2023. *(Bloomberg)*

EU: Top European central bankers push for simpler banking rules

Four of the European Union's (EU) top central bankers urged the bloc's regulatory arm to simplify the mass of rules that commercial lenders blame for increasingly putting them at a disadvantage to international competitors. A "comprehensive analysis" of the requirements could help ensure a "level playing field with other major jurisdictions", the governors of the Spanish, German, Italian and French central banks wrote to the European Commission in a letter seen by Bloomberg News. The advent of the Trump administration in the US has emboldened finance executives around the world to demand the rollback of multiple regulations put in place after the 2008 financial crisis, while the central bankers clarified they are not calling for deregulation but their letter is likely to provide ammunition to politicians who argue that banking rules have become so complex they constrain economic growth. *(Bloomberg)*

UK: Wage growth picked up more speed in 4Q

British pay growth accelerated in the last three months of 2024, according to official data published on Tuesday that underscored why the Bank of England has adopted a careful stance about when it will cut interest rates again despite a weak overall economy. Private-sector pay excluding bonuses — the BOE's main gauge of domestic inflation pressure — rose by 6.2% compared with the same period a year earlier, up from 5.9% in the three months to November, the Office for National Statistics said. Sterling rose against the dollar immediately after the data release. *(Bloomberg)*

China: Seeks debate on trade turbulence at WTO after Trump tariffs

China has called for a debate at the World Trade Organization on "trade turbulence" and how the global trade watchdog should respond in an apparent reference to tariffs launched or threatened by the United States. US President Donald Trump has announced sweeping 10.0% tariffs on all Chinese imports, prompting Beijing to respond with retaliatory tariffs and to file a WTO dispute against Washington in what could be an early test of Trump's stance towards the institution. The WTO discussion, set to take place late on Tuesday or early Wednesday, will be the first time that mounting trade tensions will be formally addressed on the agenda of the watchdog's top decision-making body, the General Council. *(Reuters)*

Singapore: Flags investment plans from chips to energy in budget

Singapore plans to invest about S\$1bn (US\$744.8m or RM3.3bn) for a new research and development semiconductor facility that will provide “great tools for researchers and industry partners” to boost innovation, according to Prime Minister Lawrence Wong. The world’s top tech companies want to do more out of Singapore, Wong said in his first budget speech as the prime minister on Tuesday, including those new-frontier areas of artificial intelligence and quantum computing. He also pledged to top up the Changi Airport development fund by S\$5.0bn, bolstering one of the key initiatives that supports the development and growth of the aviation industry in Singapore. (*Reuters*)

Indonesia: Forces exporters to keep FX earnings onshore

Indonesia is pushing ahead with a plan to force natural resource exporters to keep more foreign exchange earnings onshore in Southeast Asia’s largest economy, an effort aimed at bolstering central bank reserves by US\$80bn (RM355.1bn) and reversing a slide in the country’s beleaguered currency. President Prabowo Subianto on Monday said he had signed a regulation requiring exporters across a wide swathe of Indonesia’s natural resources industry — including mining, plantation, forestry and fisheries sectors — to retain all of their overseas earnings in the country for a year. The new rules, which mark a change from requiring companies in the sectors to keep 30% of proceeds onshore for at least three months, will take effect in March, with officials estimating the move will add US\$80.0bn to the central bank’s foreign exchange reserves this year. (*Reuters*)

Companies

Maxis: Reports fivefold jump in 4Q net profit, declares five sen dividend

Telecommunications company Maxis Bhd finished 2024 on a positive note with a five-time net profit jump in the final quarter, thanks to a sharp decline in other operating expenses as well as lower depreciation and amortisation. Shares of Maxis rose following the results announcement on Tuesday, climbing more than 4.0% to RM3.6, setting the company on the path to snap a three-day losing streak; at that price, the company has market capitalisation of nearly RM29bn on Bursa Malaysia. Net profit for the three months ended Dec 31, 2024 (4QFY2024) was RM321m, compared with RM56m a year ago, while in 4QFY2023 the telco was dragged by additional tax assessments totalling RM73m. *(The Edge)*

Deleum: Bags five-year contract from Petronas Carigali

Deleum Bhd said it has won a five-year contract from Petronas Carigali Sdn Bhd for the provision of slickline equipment and services. The contract, which will take effect on April 16, will be carried out by Deleum's wholly owned subsidiary, Deleum Oilfield Services Sdn Bhd. The scope of works includes the supply of manpower, equipment and materials, according to Deleum's filing with Bursa Malaysia. *(The Edge)*

EcoWorld: Takes full control of Puncak Alam-based developer after buying out EPF's 40% stake

Eco World Development Group Bhd has taken full control of a firm developing properties in Puncak Alam by acquiring the Employees Provident Fund's (EPF) 40% stake in the firm. The firm, Paragon Pinnacle Sdn Bhd, is the developer of mixed residential-commercial development Eco Grandeur and integrated business park Eco Business Park V in Puncak Alam; EcoWorld Malaysia owned a 60% stake, while EPF's wholly-owned unit Tanjung Wibawa Sdn Bhd controlled 40%. According to a bourse filing on Tuesday, Tanjung Wibawa exercised a put option to require EcoWorld Malaysia to acquire its 40% stake in Paragon Pinnacle for RM184.1m. *(The Edge)*

Sunzen: Sells two animal health subsidiaries for RM17.3m

Sunzen Group Bhd announced it is selling two wholly owned subsidiaries involved in the animal health businesses for RM17.3m. The disposal of the two subsidiaries, namely Sunzen Corporation Sdn Bhd and Sunzen Lifesciences Sdn Bhd, to Pure Nutritional Products Sdn Bhd is expected to result in a gain of RM2.3m to the group after deducting the estimated expenses, according to the company's bourse filing. Sunzen said the disposal aligns with its business strategy transformation to cease operations in the animal health division. *(The Edge)*

Able Group: Says chairman, CEO released from MACC remand

Able Group Bhd said on Tuesday that its chairman Ng Keng Hoe and chief executive officer Edward Goh Swee Wang have been released from remand, in an ongoing investigation by the Malaysian Anti-Corruption Commission (MACC). The dairy manufacturer and tin can maker explained that the remand was related to matters concerning Ng's private company affairs, with Ng remanded on Feb 13 and Goh on Feb 14 to assist in the investigation. However, the company did not disclose any details regarding the outcome of the probe, and The Edge has reached out to the MACC for comments. *(The Edge)*

Systech: Teams up with Permodalan Kedah for high-tech projects including tech parks, data centres

Systech Bhd inked a memorandum of collaboration (MOC) with state-owned investment company Permodalan Kedah Bhd (PKB) and Tujuh Warisan Sdn Bhd (TWSB) to explore opportunities to establish, operate, and maintain projects related to high-tech infrastructures in Kedah. According to the bourse filing on Tuesday, Systech said the high-tech infrastructures include technology parks, data centres, hydrogen energy, and artificial intelligence (AI) solutions. Under the MOC that is valid for one year, PKB is responsible for securing grants, incentives, and land, facilitating project approvals, and ensuring the implementation of the technology park and high-tech projects. *(The Edge)*



GDB: Wins RM83m in new adjudication involving payments for 8 Conlay project

Construction company GDB Holdings Bhd announced it has received a favourable adjudication decision in its dispute with KSK Land Sdn Bhd over payments following KSK Land's termination of its unit as main contractor for the 8 Conlay project. In a bourse filing on Tuesday, GDB said an adjudicator ruled that KSK Land's unit Damai City Sdn Bhd must pay its unit Grand Dynamic Builders Sdn Bhd a total of RM82.7m, pursuant to its notice of adjudication on Oct 4, 2024. According to the adjudicator's decision dated Feb 17, 2025, the sum comprises RM76.6m for outstanding certified and uncertified sums plus retention and interests, RM5.9m in late payment interest, and RM158,844.80 for the costs of adjudication proceedings. *(The Edge)*

Tropicana Corp: Dianthus serviced residences at Tropicana Gardens PJ receives GBI Silver certification

Tropicana Corp Bhd's Dianthus serviced residences in Tropicana Indah, Petaling Jaya, has obtained a Green Building Index (GBI) Silver certification, according to a media statement by the developer on Monday. Dianthus is the fourth phase of the Tropicana Gardens mixed-use transit-oriented development, joining the other phases—Arnica, Bayberry, Cyperus, IOI Mall Damansara (formerly known as Tropicana Gardens Mall) and Tropicana Gardens Office Tower—in having obtained GBI certification, while the final phase, Edelweiss Serviced Residences, SOFO and Shoppes, is provisionally GBI Silver-certified. With a gross development value of RM320.8m, Dianthus comprises 271 units with built-ups ranging from 601 to 1,401 sq ft, and unit selling prices start from RM825,000 each, with all units fully sold. *(The Edge)*



Stock Selection Based on Dividend Yield

	Sector	Price (RM)	Dividend/Share (RM)	Dividend Yield (%)
Bermaz Auto	Consumer	1.23	0.16	13.25
MBM Resources	Consumer	5.70	0.52	9.21
Datasonic Group	Technology	0.34	0.03	8.96
Sentral REIT	REIT	0.78	0.06	7.95
British American Tobacco (M)	Consumer	7.29	0.57	7.87
Ta Ann Holdings	Plantation	3.91	0.30	7.70
Amway (M)	Consumer	6.91	0.53	7.63
KIP REIT	REIT	0.89	0.07	7.57
CapitaLand Malaysia Trust	REIT	0.66	0.05	7.27
YTL Hospital REIT	REIT	1.21	0.08	6.86
Hektar REITS	REIT	0.53	0.04	6.67
REXIT	Technology	0.76	0.05	6.58
Genting Malaysia	Consumer	2.42	0.16	6.49
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		
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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