



Daily Newswatch

Market Review

The FBM KLCI rebounded sharply to 1,588.7 (+1.3%) today, snapping its 2-day losing streak as bargain-hunting emerged on banking and Petronas-linked stocks. Gains in index constituents such as CDB (+3.2%), PCHEM (+2.7%), and MRDIY (+2.7%), helped to lift the index. Sector-wise, Financial Services (+1.7%) led the charge with strong gains seen in HLBANK (+2.6%), ALLIANZ (+2.4%) and HLFM (+1.9%), followed by Energy (+1.1%) and Telecommunications & Media (+1.1%). The broader market saw a more balanced sentiment, with 534 gainers narrowly outpacing 471 decliners.

Economics

- Malaysia:** Govt adding export markets, strengthening diplomacy to address economic uncertainty — MITI
- US:** Consumer confidence drops by most since 2021 on outlook
- China:** To inject at least US\$55bn of fresh capital into several big banks, Bloomberg reports
- Hong Kong:** Expects modest growth in 2025 as financial secretary looks to fight deficit
- Thailand:** Central bank cuts key rate by 25 basis points
- Taiwan:** Trims growth forecast amid Trump worries, budget battle

Companies

- Maybank:** 4Q earnings up 6%, aiming for slightly higher returns this year
- Public Bank:** 4Q profit rises 11.4%, declares 11 sen dividend
- Hong Leong Bank:** 2Q earnings up 5.5% on year, declares dividend of 28 sen
- Press Metal:** Ends FY2024 on record high, declares 1.75 sen dividend
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- Bank Islam:** Armani Group signs MOU with Bank Islam Malaysia to offer homebuyers end financing
- Sapura Energy:** Secures multiple new contracts worth RM3.2bn collectively
- Chin Hin:** Plans first bonus issue in nearly two decades

<u>Upcoming key economic data releases</u>	<u>Date</u>
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	1,588.7	1.3	(3.3)
Dow Jones	43,433.1	(0.4)	2.1
Nasdaq CI	19,075.3	0.3	(1.2)
S&P 500	5,956.1	0.0	1.3
FTSE 100	8,731.5	0.7	6.8
Nikkei 225	38,142.4	(0.2)	(4.4)
Shanghai CI	3,380.2	1.0	0.8
HSI	23,787.9	3.3	18.6
STI	3,908.1	(0.2)	3.2

Market Activities	Last Close	% Chg
Vol traded (m shares)	2,819.5	(10.2)
Value traded (RM m)	2,479.0	(6.4)
Gainers	534	
Losers	471	
Unchanged	473	

Top 5 Volume	Last Close	Daily chg %	Vol (m)
INGENIEU	0.040	(11.1)	131.7
SFPTECH	0.320	(7.2)	106.0
MYEG	0.950	(2.6)	58.5
DSONIC	0.275	(6.8)	44.4
LHI	0.630	3.3	34.5

Top 5 Turnover	Last Close	Daily chg %	Val (RM m)
CIMB	8.280	0.6	220.8
MAYBANK	10.700	2.3	137.3
TM	6.830	1.9	108.6
TENAGA	13.580	1.3	108.0
PBBANK	4.550	2.0	91.0

Currencies	Last Close	% Chg
USD/MYR	4.4283	(0.1)
USD/JPY	148.84	0.2
EUR/USD	1.0489	0.0
USD/CNY	7.2578	(0.1)
US Dollar Index	106.42	0.1

Commodities	Last Close	% Chg
Brent (USD/barrel)	72.5	(0.7)
Gold (USD/troy oz)	2,920	0.1
CPO (MYR/metric t)	4,735	0.1
Bitcoin (USD/BTC)	83,865	(0.7)

Economics

Malaysia: Govt adding export markets, strengthening diplomacy to address economic uncertainty – MITI

The government is taking measures to mitigate the negative impact of global economic uncertainties on international trade by expanding export destinations and strengthening trade diplomacy, said the Ministry of Investment, Trade and Industry (MITI). In a written reply published on Parliament's website on Tuesday, the ministry said these measures are part of a strategy to ensure Malaysia's economic resilience in facing geopolitical challenges and escalating trade wars in 2025. MITI said Malaysia is reducing reliance on existing markets by diversifying its trade destinations to new markets in Central Asia, the Middle East, and Africa. "The government is also expanding export market access through new free trade agreements (FTAs), including the Malaysia-United Arab Emirates Comprehensive Economic Partnership Agreement (Cepa), which was signed earlier in 2025." (*The Edge*)

US: Consumer confidence drops by most since 2021 on outlook

US consumer confidence fell this month by the most since August 2021 on concerns about the outlook for the broader economy, adding to evidence that uncertainty over the Trump administration's policies is weighing on households. The Conference Board's gauge of confidence decreased 7.0 points in February to 98.3, the third straight decline, data released Tuesday showed. The median estimate in a Bloomberg survey of economists called for a reading of 102.5. A measure of expectations for the next six months also fell by the most in three-and-a-half years, while a gauge of present conditions declined more modestly. The drop in confidence was broad across age groups and incomes. Consumers were more pessimistic about current and future labor-market conditions, as well as the outlook for incomes and business conditions. Perceptions of present and future financial situations worsened, and the share of respondents expecting a recession in the next year rose to a nine-month high. (*Bloomberg*)

China: To inject at least US\$55bn of fresh capital into several big banks, Bloomberg reports

China plans to start re-capitalising several of its biggest banks in coming months, according to people familiar with the matter, following through on a broad stimulus package unveiled last year to shore up the struggling economy. Authorities are looking to inject at least 400bn yuan (US\$55bn or RM244.1bn) of fresh capital into the first batch of Agricultural Bank of China Ltd, Bank of Communications Co and Postal Savings Bank of China Co, said the people, asking not to be identified discussing private information. The plan, which could be completed as soon as the end of June, is subject to change and the amount for each bank is still being finalised, said the people. China's banking regulator first flagged its plan to replenish core tier-1 capital at the six top state lenders in September, without elaborating. The Ministry of Finance later said that it will issue special sovereign bonds to fund the injections, which will strengthen the capability of banks to fend off risks and spur lending. (*Bloomberg*)

Hong Kong: Expects modest growth in 2025 as financial secretary looks to fight deficit

Hong Kong Financial Secretary Paul Chan said the economy will grow modestly this year, as he looks to shrink the city's deficit while countering headwinds from a slowing Chinese economy and rising trade tensions with the US. The government forecasts gross domestic product to expand 2% to 3% in 2025, compared with a 2.5% pace last year, Chan said in his annual budget speech Wednesday. He vowed to rein in government spending that's helped push the city's budget deficit into the red for the third year in a row, while maintaining key public services. "Strictly containing public expenditure is a must," Chan said, citing challenges including geopolitical disruptions to trade and investment as well as high interest rates. (*Reuters*)

Thailand: Central bank cuts key rate by 25 basis points

Thailand's central bank cut its key interest rate by a quarter percentage point on Wednesday, a move it said was a response to weaker economic growth and increased risks posed by global trade policy uncertainty. The Bank of Thailand's monetary policy committee voted 6-1 to reduce the one-day repurchase rate by 25 basis points to 2.0% at its first meeting of 2025. That followed a rate hold in December and a quarter-point cut in October. Ten of 26 economists in a Reuters poll had predicted the key rate would be cut this week, with 16 expecting no policy change on Wednesday. (*Reuters*)

Taiwan: Trims growth forecast amid Trump worries, budget battle

Taiwan lowered its 2025 GDP growth forecast to 3.14% from 3.29%, citing budget cuts rather than potential U.S. tariffs under Trump, despite concerns over its record trade surplus with the U.S. and proposed 25% tariffs on key exports like semiconductors. However, Taiwan remains optimistic about export growth, raising its projection to 7.08% from 5.98%, driven by strong AI-related demand for tech products and companies shifting production from China. Despite economic risks, the nation's private consumption and fixed investment are expected to remain stable, while inflation is forecasted to rise slightly to 1.94%. (*Bloomberg*)



Companies

Maybank: 4Q earnings up 6%, aiming for slightly higher returns this year

Malayan Banking Bhd said on Wednesday that its net profit rose 6% in the final quarter of 2024, thanks to higher net interest income and insurance earnings. Net profit at Malaysia's biggest bank by assets for the three months ended Dec 31, 2024 (4QFY2024) was RM2.5bn, according to its exchange filing. For 2025, Maybank said it will focus on its "super growth areas" of wealth management, mid-market, non-retail and bancassurance segments, while betting on strong economic growth of its home markets of Malaysia, Singapore and Indonesia. *(The Edge)*

Public Bank: 4Q profit rises 11.4%, declares 11 sen dividend

Public Bank Bhd reported an 11.4% year-on-year (y-o-y) rise in net profit for the fourth quarter ended Dec 31, 2024 (4QFY2024), supported by higher net interest income, strong Islamic banking contributions, and improved fee-based income. The bank posted a net profit of RM1.8bn, up from RM1.6bn in 4QFY2023. Revenue increased 7.8% y-o-y to RM7.1bn, compared with RM6.6bn previously. Net interest income edged up 4.8% y-o-y to RM2.4bn from RM2.3bn, on improved net interest margin and healthy loan growth. Islamic banking net income grew 22.6% to RM439.2m versus RM358.3m. *(The Edge)*

Hong Leong Bank: 2Q earnings up 5.5% on year, declares dividend of 28 sen

Hong Leong Bank Bhd posted a 5.5% year-on-year (y-o-y) rise in net profit for the second quarter ended Dec 31, 2024 (2QFY2025), as higher net interest income (NII) and Islamic banking contributions boosted earnings. The bank recorded a net profit of RM1.2bn in 2QFY2025, up from RM1.1bn in the same quarter last year. Revenue increased 11.4% y-o-y to RM1.6bn, compared with RM1.5bn previously. It declared a dividend of 28 sen per share, payable on March 26. *(The Edge)*

Press Metal: Ends FY2024 on record high, declares 1.75 sen dividend

Press Metal Aluminium Holdings Bhd saw its net profit jump 38.5% to RM445.3m for the fourth quarter ended Dec 31, 2024 (4QFY2024), from RM321.4m a year ago, primarily driven by lower net finance costs and higher contributions from associate companies. This resulted in higher earnings per share of 5.4 sen for 4QFY2024, versus 3.9 sen for 4QFY2023. Quarterly revenue was flat at RM3.6bn, compared with RM3.5bn for 4QFY2023. The group declared a fourth interim dividend of 1.75 sen per share for FY2024, payable on March 28, bringing total dividends declared for the full year to RM576.8m or 33% of the group's net profit. *(The Edge)*

Sunway: Breaks new record in annual revenue for FY2024, declares 4 sen second interim dividend

Sunway Bhd posted a 26% year-on-year (y-o-y) growth in net profit to RM335.5m for the fourth quarter ended Dec 31, 2024 (4QFY2024), from RM266m previously, driven by higher contributions from most of its business segments. Earnings per share increased to 5.0 sen, from 4.4 sen in 4QFY2023, the diversified conglomerate showed in a bourse filing. Quarterly revenue surged 53% y-o-y to RM2.9bn, up from RM1.9bn in the previous year's corresponding quarter, supported by strong performances of the construction, property development, and trading and manufacturing divisions. *(The Edge)*

Maybank: Says finance chief removal announced abruptly due to market-sensitive nature

Malayan Banking Bhd said the removal of chief financial officer Khalijah Ismail had to be announced immediately due to the market-sensitive nature of the information. Without providing any new details on the move, Maybank president and group chief executive officer Datuk Khairussaleh Ramli reiterated on Wednesday that Khalijah left following an inquiry over non-compliance with internal requirements and processes. "We believe that it was a price-sensitive moment, market-sensitive information," he said at an earnings briefing. *(The Edge)*

Bank Islam: Armani Group signs MOU with Bank Islam Malaysia to offer homebuyers end-financing

Armani Group and Bank Islam Malaysia Bhd have signed a memorandum of understanding (MOU) on Feb 25 to offer homebuyers of Armani's developments end-financing, starting with the Residensi Armani Kg Baru 1 project in Kuala Lumpur. Armani Group managing director Datuk Seri Azlan Azmi said in a statement: "Our partnership with Bank Islam offers one of the most competitive home financing solutions in the market, featuring rates as low as 3.8% per annum for our homebuyers." He added that homebuyers financing their purchase through Bank Islam would benefit from greater financial flexibility and ease of homeownership. *(The Edge)*

Sapura Energy: Secures multiple new contracts worth RM3.2bn collectively

Sapura Energy Bhd has secured multiple contracts with a combined value of approximately RM3.2bn, including optional periods granted in some contracts. The contracts, awarded to its drilling arm Sapura Drilling, span across key clients and regions, according to the group's media release on Wednesday. Among the new wins, Sapura Drilling secured two contracts from PTTEP Energy Development Ltd for the deployment of its tender assist drilling rigs (TADR) Sapura T-17 and Sapura T-18. *(The Edge)*

Chin Hin: Plans first bonus issue in nearly two decades

Chin Hin Group Property Bhd is planning a bonus share issue, its first in nearly two decades, despite a sharp drop in net profit in the final quarter of 2024. Each shareholder of the company will receive one bonus share for every existing share held, the company said in a filing. The real estate developer has not declared any dividend for years, and its last bonus issue was in 2007 when the company was known as Boon Koon Group Bhd. The entitlement date will be determined later, the company said. *(The Edge)*



Stock Selection Based on Dividend Yield

	Sector	Price (RM)	Dividend/Share (RM)	Dividend Yield (%)
Bermaz Auto	Consumer	1.15	0.16	14.17
MBM Resources	Consumer	5.53	0.53	9.49
Datasonic Group	Technology	0.28	0.02	9.09
British American Tobacco (M)	Consumer	6.74	0.57	8.52
Hektar REITS	REIT	0.52	0.04	8.35
Sentral REIT	REIT	0.78	0.06	8.26
Amway (M)	Consumer	6.80	0.55	8.09
KIP REIT	REIT	0.88	0.07	7.66
YTL Hospital REIT	REIT	1.10	0.08	7.55
CapitaLand Malaysia Trust	REIT	0.65	0.05	7.38
Ta Ann Holdings	Plantation	3.80	0.27	7.21
Paramount Corporation	Property	1.07	0.08	7.01
REXIT	Technology	0.73	0.05	6.90
Genting Malaysia	Consumer	2.32	0.16	6.77
Pavilion REIT	REIT	1.49	0.09	6.31

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		
Pantech Global Bhd	Main Market	0.68	262.2	-	19 Feb	03 Mar
Saliran Group Bhd	Main Market	0.27	80.4	38.3	28 Feb	13 Mar

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