



Daily Newswatch

Market Review

The FBM KLCI closed in the red for the fourth straight session at 1,632.2 (-0.6%), while regional equities also edged lower. Among the index constituents, YTLPOWR (-6.4%), YTL (-4.1%) and PCHEM (-3.0%) were among the top losers. Sector-wise, Property (-1.2%), Construction (-1.0%) and Technology (-0.9%) were the top 3 underperformers. In brief, the overall broader market breadth fell negatively, with 712 losers outnumbering 312 gainers.

Economics

- **Malaysia:** September inflation moderates amid steady food group, transport index eases
- **Malaysia:** Anwar's Russia visit expands Malaysia's geo-economic reach, global cooperation
- **Malaysia:** 12 other countries officially added as BRICS partner countries
- **EU:** Private-sector economy fails to grow for second month

Companies

- **SC Estate Builder:** Aborts RM4.3m job with Merchant Esteem
- **AWC:** Bags RM9.4m job for immigration complex in Sungai Melaka
- **Nestle Malaysia:** Halves dividend to 35sen as 3Q net profit falls 36%
- **Rexit:** Two major shareholders of Rexit jailed in Singapore
- **Evergreen Max Cash:** Seeks to raise RM36m via private placement for loan repayment

Upcoming key economic data releases

	Date
US – Oct 2024 NFP	1 Nov
US – Oct 2024 Unemployment	1 Nov
US – Oct 2024 ISM Manufacturing PMI	1 Nov
Malaysia – Nov 2024 Interest Rate	6 Nov
US – Nov 2024 Fed Interest Rate	7 Nov
Malaysia – Sep 2024 Unemployment	8 Nov
US – Oct 2024 CPI	13 Nov
US – Oct 2024 PPI	14 Nov
EU – Oct 2024 GDP Growth Rate	14 Nov
EU – Oct 2024 Inflation Rate	19 Nov
Malaysia – Oct 2024 Inflation Rate	22 Nov

Key Indices	Last Close	Daily chg %	YTD chg %
FBM KLCI	1,632.2	(0.6)	12.2
Dow Jones	42,374.4	(0.3)	12.4
Nasdaq CI	18,415.5	0.8	22.7
S&P 500	5,809.9	0.2	21.8
FTSE 100	8,269.4	0.1	6.9
Nikkei 225	38,143.3	0.1	14.0
Shanghai CI	3,280.3	(0.7)	10.3
HSI	20,489.6	(1.3)	20.2
STI	3,605.0	0.1	11.3

Market Activities	Last Close	% Chg
Vol traded (m shares)	2,654.1	(18.0)
Value traded (RM m)	2,282.5	(13.6)
Gainers	312	
Losers	712	
Unchanged	514	

Top 5 Volume	Last Close	Daily chg %	Vol (m)
BSLCORP	0.030	0.0	227.8
FITTERS	0.035	(12.5)	124.4
INGENIEUR	0.055	0.0	41.7
CAPITALA	0.980	(1.0)	41.1
NICE	0.195	5.4	39.3

Top 5 Turnover	Last Close	Daily chg %	Val (RM m)
TENAGA	14.360	(0.4)	160.0
MAYBANK	10.580	(0.4)	127.6
CIMB	8.130	(0.6)	110.4
YTLPOWER	2.130	(4.1)	37.2
GAMUDA	8.410	(1.1)	96.4

Currencies	Last Close	% Chg
USD/MYR	4.3453	0.1
USD/JPY	151.79	0.0
EUR/USD	1.0824	(0.0)
USD/CNY	7.1177	0.2
US Dollar Index	104.05	(0.0)

Commodities	Last Close	% Chg
Brent (USD/barrel)	74.4	(0.8)
Gold (USD/troy oz)	2,735	(0.1)
CPO (MYR/metric t)	4,685	(0.1)
Bitcoin (USD/BTC)	68,149	(0.0)

Economics

Malaysia: September inflation moderates amid steady food group, transport index eases

Malaysia's inflation decelerated in September and was a tad slower than expected, as prices of key food items and utilities remained steady while transport costs eased, official data on Thursday showed. The consumer price index — the country's main gauge of inflation — rose 1.8% in September from a year earlier, the Department of Statistics Malaysia said in a statement. That is a tad lower than the 1.9% rise predicted in a *Bloomberg* survey. In August, the index climbed 1.9% year-on-year. Food-and-beverage items, which account for nearly 30% of the index's weight, rose at a steady pace of 1.6%, while a group that covers housing, water, electricity, gas and other fuels rose 3.1% in September, the same pace as in August. That group accounted for 23% of the index's weight. (*The Edge*)

Malaysia: Anwar's Russia visit expands Malaysia's geo-economic reach, global cooperation

Prime Minister Datuk Seri Anwar Ibrahim's visit to Russia marked a strategic effort by the Madani Government to bolster Malaysia-Russia relations, broaden Malaysia's geo-economic influence, and elevate its global economic standing. The Ministry of Investment, Trade and Industry (MITI) stated that Anwar's maiden visit successfully opened a new chapter in Malaysia-Russia relations, yielding significant benefits for both nations. (*Bernama*)

Malaysia: 12 other countries officially added as BRICS partner countries

Malaysia has been recognised as one of 13 nations officially added to BRICS as a partner country, a bloc that collectively accounts for one-fifth of global trade. According to an update from @BRICSInfo on X, the bloc officially added 13 new nations to the alliance as partner countries, though not yet as full members. Apart from Malaysia, the other 12 nations were Algeria, Belarus, Bolivia, Cuba, Indonesia, Kazakhstan, Nigeria, Thailand, Turkey, Uganda, Uzbekistan and Vietnam. For the record, on July 28, the Prime Minister, Datuk Seri Anwar Ibrahim, confirmed that Malaysia had submitted an application to Russia to join the BRICS inter-governmental organisation. (*Bernama*)

EU: Private-sector economy fails to grow for second month

The euro area's private-sector activity continues to decline, with the composite Purchasing Managers' Index (PMI) slightly increasing to 49.7 in October, still below the growth threshold of 50. Germany's manufacturing struggles, exacerbated by high energy costs and weak Chinese demand, contribute significantly to the downturn, while France's economic situation worsened further. The European Central Bank has responded to these challenges by lowering interest rates for the third time this year, with concerns about inflation undershooting its 2% target. Despite some gains in the service sector, overall output remains weak, leading to cuts in employment and heightened risks to GDP growth in the coming months.

Companies

SC Estate Builder: Aborts RM4.3m job with Merchant Esteem

Construction outfit SC Estate Builder Bhd said the termination of a contract worth RM4.3m to build affordable houses with solar power on the roofs by Merchant Esteem Sdn Bhd (MESB) was due to a decision by MESB's new management, which has acknowledged that ongoing uncertainties in the commercial property market and low demand would impact the construction and sales of shophouses. To recap, SC Estate Builder's wholly-owned subsidiary SC Estate IBS Sdn Bhd (SEISB) had received a letter of award in January 2021 from MESB for the proposed prototyping solar power on the roof of one shophouse unit, and the proposed construction of 28 units of single storey shophouses in Alor Setar, Kedah. (*The Edge*)

AWC: Bags RM9.4m job for immigration complex in Sungai Melaka

Engineering services provider AWC Bhd has bagged a RM9.4m contract from the Melaka Public Works Department (JKRM) to provide facilities management and maintenance service for the immigration, custom, quarantine and security complex in Sungai Melaka. In a statement on Thursday, AWC said its wholly-owned subsidiary Ambang Wira Facilities Sdn Bhd has received a letter of acceptance (LOA) from JKRM for the proposed job. The contract is for 60 months, commencing from Nov 1, 2024 to Oct 31, 2029. (*The Edge*)

Nestle Malaysia: Halves dividend to 35sen as 3Q net profit falls 36%

Nestle (M) Bhd's net profit fell 36.1% to RM85.4m for the third quarter ended Sept 30, 2024 (3QFY2024), from RM133.7m a year earlier, due to a lower revenue caused by a drop in domestic sales. This is the second straight quarter that the group's net profit has dropped below the RM100m mark, after reporting a 48.3% year-on-year drop to RM93.6m for 2QFY2024.

Domestic sales were impacted by consumer hesitancy amid cautious spending and affordability concerns, the consumer goods group said in a bourse filing on Thursday. Earnings per share fell to 36.4sen, from 57.0sen in 3QFY2023. Quarterly revenue dropped 18.4% year-on-year to RM1.45bn from RM1.77bn. Nestlé declared a second interim dividend of 35sen per share, half the 70sen dividend paid a year earlier. (*The Edge*)

Rexit: Two major shareholders of Rexit jailed in Singapore

Two major shareholders of Rexit Bhd were sentenced to jail in a Singaporean court for participating in a conspiracy to illegally obtain data of over 9,000 people. According to a report by *The Straits Times*, Datuk Seow Gim Shen and Kong Chien Hoi had pleaded guilty to one charge each of conspiring with Chinese national Sun Jiao to have the personal information of 9,369 unknown individuals supplied to them for gambling operations. The Singapore publication reported that Sun was allegedly linked to a global syndicate that conducted malicious cyber activities. (*The Star*)

Evergreen Max Cash: Seeks to raise RM36m via private placement for loan repayment

Evergreen Max Cash Capital (EMCC) plans to raise RM35.7m via a private placement of 111.5m shares to repay credit facilities, marking its first fundraising since its Bursa Malaysia ACE Market listing in 2023. The proceeds will support the company's revolving credit facilities used for pawnbroking operations, and EMCC is also establishing an employee share option scheme. EMCC aims to expand its "Pajaking" pawnshop network, potentially boosting its market presence and financial performance. (*The Edge*)



Stock Selection Based on Dividend Yield

	Sector	Price (RM)	Dividend/Share (RM)	Dividend Yield (%)
British American Tobacco (M)	Consumer	7.42	0.61	8.17
Sentral REIT	REIT	0.80	0.06	8.05
KIP REIT	REIT	0.93	0.07	7.78
Hektar REITS	REIT	0.53	0.04	7.36
Datasonic Group	Technology	0.41	0.03	7.32
MAG Holdings	Consumer	1.18	0.09	7.29
Magnum	Consumer	1.18	0.09	7.29
Amway (M)	Consumer	7.05	0.50	7.05
Genting Malaysia	Consumer	2.29	0.16	6.90
REXIT	Technology	0.75	0.05	6.67
UOA REITS	REIT	1.00	0.06	6.43
Paramount Corporation	Property	1.05	0.07	6.38
Tambun Indah Land	Property	0.95	0.06	6.35
Sports Toto	Consumer	1.57	0.10	6.24
RHB Bank	Finance	6.45	0.40	6.22

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		
Sorento Capital Bhd	ACE Market	0.37	155.0	74.0	15 Oct	28 Oct
OB Holdings Bhd	ACE Market	0.24	120.0	-	15 Oct	29 Oct
3Ren Bhd	ACE Market	0.28	110.0	45.0	23 Oct	6 Nov
Azam Jaya Bhd	Main Market	0.78	78.8	50.0	24 Oct	11 Nov
Mega Fortris Bhd	Main Market	0.67	147.9	147.9	28 Oct	11 Nov
Life Water Bhd	Main Market	0.65	97.6	28.4	30 Oct	13 Nov
Metro Healthcare	ACE Market	0.25	156.6	-	4 Nov	15 Nov

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MERCURY SECURITIES SDN BHD
Registration No. 198401000672 (113193-W)
L-7-2, No 2, Jalan Solaris, Solaris Mont’ Kiara,
50480 Kuala Lumpur
Telephone: (603) - 6203 7227
Website: www.mercurysecurities.com.my
Email: mercurykl@mersec.com.my