

Morning Toast

News of the Day

- Master-Pack's 2Q net profit falls 74% on margin squeeze, forex loss
- Mr DIY sees 2% rise in 2Q net profit, pays 1.5 sen dividend
- Eonmetall warns of challenges ahead after another quarterly loss
- RCE Capital's 1Q net profit down 14% on higher impairment loss
- VSTECs expects 'exceptional momentum' for FY2025 as 2Q profit jumps 32% on robust sales

Daily Trading Participations

	Buy (RM'm)	Sell (RM'm)	Net Buy (RM'm)
Local Institutions	1476.8	1281.5	195.3
Local Retails	389.5	490.8	-101.3
Foreign	1202.3	1296.3	-94.0

Sources: Bloomberg

14 August 2025

Market Indices

Indices	Last	Daily chg	YTD chg%
<i>Local</i>			
FBMKLCI	1,586.60	18.7	-3.4
FBMEmas	11,804.18	128.7	-6.2
FBMSHA	11,768.55	103.2	-6.5
FBMSCAP	15,602.10	52.5	-13.1
FBMACE	4,654.61	16.5	-13.5
F4GBM	956.20	10.9	-5.3
F4GBMS	973.91	9.3	-5.4

Foreign

Dow Jones	44,922.27	463.66	5.6
S&P 500	6,466.58	20.82	9.9
Nasdaq	21,713.14	31.24	12.4
FTSE	9,165.23	17.42	12.1
Hang Seng	25,613.67	643.99	27.7
Nikkei	43,274.67	556.50	8.5
Shanghai CI	3,683.47	17.55	9.9
Strait Times	4,272.76	52.04	12.8

Currencies

BNM Middle Rate	Last	Daily chg	YTD
USD / MYR	4.21	-0.0032	-5.9
GBP / MYR	5.71	0.0173	1.7
JPY / MYR	2.85	-0.0077	0.3
EUR/MYR	4.93	0.0237	5.9
SGD / MYR	3.29	0.0005	0.1
CNY / MYR	0.59	-0.0031	-4.3
AUD / MYR	2.76	0.0148	-0.7

Bond Yield Movements

		Yield	D. Chg (bps)
MGS	3- year	2.99	-16
	10- year	3.38	-14
GII	3- year	3.03	-14
	10- year	3.39	-13
UST	2- year	3.67	-4
	10- year	4.23	0

Commodities

	Last	Daily chg	D. chg %
CPO (3rd month)	4,470.00	482.0	12.1
Brent (1st month)	65.63	-0.5	-0.7
Gold (spot)	3,355.86	7.6	0.2

Source: Bloomberg

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Market Pulse



Source: Trading View, Phillip Research

The FBMKLCI gained 18.7 points or 1.19% to close at 1,586.60 points. Daily gainers for FBMKLCI constituents at 23 counters outweigh the losers at 7 counters, while 0 remain unchanged. FBMKLCI gainers were led by Telekom Malaysia Bhd, Sime Darby Bhd and Axiata Group Bhd which gained 3.3%, 3.1% and 2.7%, respectively. On the broader market, daily gainers at 688 outweigh the losers at 388 counters, while 492 remain unchanged. The local market tracked the positive sentiment.

The top 3 sectorial daily gainers are Technology (+2.8%), Financial (+1.5%), and Telco (+1.4%) led by Digistar Corp Bhd (+33.3%), AMMB Holdings Bhd (+4.2%) and Sasbadi Holdings Bhd (+3.7%) respectively. The top 3 sectorial daily losers are Industrial (-1.0%), REIT (-0.3%), and Healthcare (-0.1%) led by BSL Corp Bhd (-25%), YTL Hospitality Reit (-3.4%) and Careplus Group Bhd (-4.5%) respectively.

Table 1: Our Picks

Company	Ticker	Rating	Price (RM)	TP (RM)	Upside (%)
Fundamental					
Banking					
Affin Bank	ABANK MK	Sell	2.40	2.40	0.0
Alliance Bank	ABMB MK	Hold	4.64	5.00	7.8
Ambank	AMM MK	Buy	5.49	6.30	14.8
CIMB Bank	CIMB MK	Buy	7.19	9.30	29.3
Hong Leong Bank	HLBK MK	Buy	19.70	24.30	23.4
Maybank	MAY MK	Buy	9.86	11.90	20.7
Public Bank	PBK MK	Buy	4.44	5.30	19.4
RHB Bank	RHBBANK MK	Buy	6.47	7.90	22.1
Construction					
AME Elite	AME MK	Buy	1.50	2.00	33.3
Gamuda	GAM MK	Buy	5.61	5.33	-5.0
Kerjaya Prospek	KPG MK	Buy	2.10	2.70	28.6
Sunway Construction	SCGB MK	Hold	5.46	5.35	-2.0
Binastra	BNASTRA MK	Buy	1.73	2.60	50.3
Southern Score Builders	SSB8 MK	Buy	0.58	0.75	30.4
EMS					
Nationgate	NATGATE MK	Buy	1.38	1.80	30.4
Gaming					
Genting Malaysia	GENM MK	Hold	2.00	1.80	-10.0
Genting	GENT MK	Buy	3.07	3.85	25.4
RGB International	RGB MK	Buy	0.29	0.73	156.1
Healthcare					
Optimax	OPTIMAX MK	Buy	0.57	0.70	22.8
UMediC	UMC MK	Buy	0.40	0.45	12.5
Rubber Glove					
Hartalega	HART MK	Hold	1.25	1.34	7.2
Kossan	KRI MK	Buy	1.23	1.94	57.7
Top Glove	TOPG MK	Hold	0.62	0.71	14.5
Industrial					
Critical	CHB MK	Buy	0.99	1.62	63.6
HE Group	HEGROUP MK	Buy	0.41	0.51	24.4
MN Holdings	MNHLDG MK	Buy	1.55	1.72	11.0
Oil & Gas					
Bumi Armada	BAB MK	Buy	0.40	0.79	100.0
Dayang Enterprise	DEHB MK	Buy	1.79	3.00	67.6
Pantech	PGHB MK	Buy	0.71	0.89	25.4
Uzma	UZMA MK	Buy	0.38	0.76	100.0
T7 Global	T7G MK	Buy	0.25	0.34	36.0
Plantation					

Genting Plantation	GENP MK	Hold	4.98	5.27	5.8
Hap Seng Plantation	HAPL MK	Hold	2.05	1.84	-10.2
IOI Corporation	IOI MK	Hold	3.85	3.84	-0.3
Kuala Lumpur Kepong	KLK MK	Hold	20.00	19.60	-2.0
SD Guthrie	SDG MK	Buy	4.98	5.21	4.6
Sarawak Oil Palms	SOP MK	Hold	3.46	3.01	-13.0
Sarawak Plantation	SPLB MK	Buy	2.69	2.88	7.1
Property					
Lagenda Properties	LAGENDA MK	Hold	1.21	1.25	3.3
SkyWorld Development	SKYWLD MK	Buy	0.54	0.70	30.8
Renewable					
Solarvest	SOLAR MK	Buy	2.44	3.05	25.0
Pekat	PEKAT MK	Hold	1.52	1.57	3.3
BM Greentech	BMGREEN MK	Buy	1.77	2.70	52.5
Technology					
D&O	DOGT MK	Hold	1.07	1.30	21.5
Frontken	FRCB MK	Buy	4.33	5.20	20.1
Greatech	GREATEC MK	Buy	2.04	1.90	-6.9
Pentamaster	PENT MK	Hold	3.61	3.57	-1.1
TT Vision	TTVHB MK	Buy	0.53	0.78	47.2
UWC	UWC MK	Buy	2.80	2.60	-7.1
Telco					
OCK Group	OCK MK	Buy	0.40	0.66	65.0
Maxis	MAXIS MK	Hold	3.52	4.02	14.2
CelcomDigi	CDB MK	Hold	3.84	4.19	9.1
Telekom Malaysia	T MK	Buy	7.23	8.05	11.3
Axiata Group	AXIATA MK	Hold	2.70	2.08	-23.0
Transport					
AGX Group	AGX MK	Buy	0.49	0.96	97.9

Source: Bursa, Bloomberg, Phillip Research, price as of 13 August 2025

Malaysian news highlights

Malaysian Science, Technology and Innovation Policy opens doors for local tech companies to penetrate public-sector market

The Malaysian Science, Technology and Innovation Policy (MySTI) has the potential to create greater market opportunities for local technology companies to break into the public sector, said Malaysian Technology Development Corporation (MTDC) group chief executive officer Mohammad Hazani Hassan. He said that through circulars supporting the implementation of the policy, local companies can be given priority in government procurement processes, thus enabling them to enter the technology market that was previously difficult to access. (Source: [TheEdgeMarkets](#))

Govt urged to set up RM5 mil startup fund to support Indian youth in digital entrepreneurship

The government has been urged to establish a startup fund of RM5 million specifically to assist young entrepreneurs, particularly from the Indian community, in engaging with the digital economy. Yuneswaran Ramaraj (PH-Segamat) said that the Ministry of Economy has allocated RM10 million for technology-based startups, but there is no dedicated fund for other sectors. (Source: [TheEdgeMarkets](#))

Petra to drive National Water Policy for sustainable supply — Fadillah

The Energy Transition and Water Transformation Ministry (Petra) is committed to strengthening the implementation of the National Water Policy as a driver for transforming the national water sector, ensuring safe, viable and sustainable water supply for the people. Deputy Prime Minister Datuk Seri Fadillah Yusof said this effort will not only enhance the security of the country's water resources but also drive Malaysia towards becoming a dynamic water hub with potential contributions to economic development, job creation, and facilitating research and development (R&D). (Source: [TheEdgeMarkets](#))

Niosh calls for enhanced water transport safety ahead of VM2026

The National Institute of Occupational Safety and Health (Niosh) has called for enhanced safety measures in water transport and related activities, particularly in the tourism sector, in line with Visit Malaysia 2026 (VM2026). In a statement on Wednesday, Niosh said tourism boat operators and handlers must comply with laws and safety standards. This includes technical requirements under the Merchant Shipping Ordinance 1952 and tourism safety guidelines issued by the Ministry of Tourism, Arts and Culture. (Source: [TheEdgeMarkets](#))

Motac allocates RM10.14 mil to Negeri Sembilan for tourism, heritage conservation projects

The Ministry of Tourism, Arts and Culture (Motac) has allocated RM10.14 million to Negeri Sembilan this year under the Restoration, Conservation, Renovation and Upgrading Programme (PPUN), as part of efforts to preserve heritage and strengthen the state's tourism sector. Menteri Besar Datuk Seri Aminuddin Harun said the allocation reflects the federal government's holistic and strategic commitment to ensuring the state's heritage, tourism and cultural identity are preserved, elevated and developed. (Source: [TheEdgeMarkets](#))

Global news highlights

Thailand cuts key rate, braces for protracted growth slowdown

The Bank of Thailand cut its key interest rate and signalled it will remain accommodative as higher US tariffs risk setting off a prolonged period of economic weakness. The central bank's Monetary Policy Committee voted unanimously Wednesday to cut the one-day repurchase rate by 25 basis points to 1.5%, as predicted by 14 of 23 economists surveyed by Bloomberg. The rest forecast no change. The BOT has now delivered a total of 100 basis points in rate cuts in an easing cycle that began in October. US tariffs are the latest of a series of challenges for the Southeast Asian nation this year, including violent border clashes with Cambodia and political uncertainty after the suspension of the prime minister. (Source: [TheEdgeMarkets](#))

China July bank loans unexpectedly contract for first time in 20 years

China's new yuan loans contracted by 50 billion yuan (US\$6.97 billion or RM29.4 billion) in July, falling well short of analysts' forecasts and plunging from 2.24 trillion yuan in June, according to Reuters calculations based on data released by the People's Bank of China. This marks the first contraction since July 2005 and the largest monthly decline since December 1999, according to central bank data. (Source: [TheEdgeMarkets](#))

US 30-year mortgage rate falls most since February

US mortgage rates dropped last week by the most since February, enticing homeowners to step up refinancing. The contract rate on a 30-year mortgage declined 10 basis points to 6.67% in the week ended Aug 8, according to Mortgage Bankers Association (MBA) data released on Wednesday. The rate on a 15-year mortgage retreated below 6% for the first time in four months — matching the lowest level since October. (Source: [TheEdgeMarkets](#))

Bessent urges Fed to lower rates by 150 basis points or more

US Treasury Secretary Scott Bessent made his most explicit call yet for the Federal Reserve to execute a cycle of interest-rate cuts, suggesting the central bank's benchmark ought to be at least 1.5 percentage points lower than it is now. "I think we could go into a series of rate cuts here, starting with a 50 basis point rate cut in September," Bessent said in a television interview on Bloomberg Surveillance Wednesday. "If you look at any model" it suggests that "we should probably be 150, 175 basis points lower." (Source: [TheEdgeMarkets](#))

Corporate news

Master-Pack's 2Q net profit falls 74% on margin squeeze, forex loss

Paper packaging manufacturer Master-Pack Bhd's (KL:MASTER) second-quarter net profit dropped 74% due to lower margins from price cuts and a RM130,000 foreign exchange loss. Net profit for the three months ended June 30, 2025 (2QFY2025) stood at RM1.6 million, down from RM6.2 million, its bourse filing showed on Wednesday (Aug 13). Quarterly revenue dropped 31.16% to RM27.8 million from RM40.39 million a year before. No dividend was declared during the quarter under review. (Source: [TheEdgeMarkets](#))

Mr DIY sees 2% rise in 2Q net profit, pays 1.5 sen dividend

Mr DIY Group (M) Bhd (KL:MRDIY) said its net profit for the second quarter rose 2.17% to RM158.58 million from RM155.21 million a year earlier, as increased revenue and margin gains offset higher administrative and operating expenses. Revenue for the quarter ended June 30, 2025 (2QFY2025) edged up 1.5% year-on-year to RM1.214 billion from RM1.2 billion driven by contributions from new stores, said the home improvement retailer in a bourse filing on Wednesday. The group opened 31 new stores during the quarter. (Source: [TheEdgeMarkets](#))

Eonmetall warns of challenges ahead after another quarterly loss

Eonmetall Group Bhd (KL:EMETALL) warned of tough times ahead after the steel products maker reported its fourth consecutive quarterly loss. The steel industry globally and in Malaysia is experiencing overcapacity and weakening demand, Eonmetall said in an exchange filing. In addition, US tariffs are adding another layer of uncertainties to the industry's challenges, the company said. (Source: [TheEdgeMarkets](#))

RCE Capital's 1Q net profit down 14% on higher impairment loss

RCE Capital Bhd (KL:RCECAP), a financing solution provider for civil servants, saw its net profit drop 14.3% in the first quarter due to higher allowances for impairment losses on receivables. In a filing with Bursa Malaysia, RCE Capital reported a net profit of RM25.99 million for the three months ended June 30, 2025 (1QFY2026), down from RM30.32 million a year earlier. Earnings per share fell to 1.77 sen from 2.07 sen last year. For the period under review, the group saw RM11.32 million in impairment loss on receivables, higher than RM7.75 million in the same quarter a year earlier. (Source: [TheEdgeMarkets](#))

VSTECS expects 'exceptional momentum' for FY2025 as 2Q profit jumps 32% on robust sales

Information and communication technology (ICT) products distributor VSTECS Bhd (KL:VSTECS) is expecting "exceptional momentum" for the rest of FY2025, said its CEO J H Soong, as the group reported a 32.3% jump in its second-quarter net profit. The group said its portfolio of products and solutions continues to be in strong demand across both consumer and enterprise segments. It also sees minimal disruption to the ICT sector despite global headwinds such as the US tariffs and the sales and services tax expansion at home. (Source: [TheEdgeMarkets](#))

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Equity:

BUY: Total stock return expected to exceed +10% over 12-month period
HOLD: Total stock return to be between -10% and +10% over a 12-month period
SELL: Total stock return is expected to below 10% over a 12-month period

Sector:

OVERWEIGHT: The sector is expected to outperform the overall FBMKLCI over the next 12 months
NEUTRAL: The sector is to perform in line with the overall FBMKLCI market over the next 12 months
UNDERWEIGHT: The sector is expected to underperform the overall FBMKLCI market over the next 12 months

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