

Morning Toast

Idea of the Day

BM GREENTECH (BMGREEN MK / BUY; TP: RM2.70)

Company Update: Secured its third and largest CGPP contract

- BMG has secured a 30MW solar farm EPCC project under CGPP worth RM95m
- We maintain our positive outlook on BMG following the announcement of its third CGPP win, which further solidifies its position as a key player in the utility-scale solar projects
- We expect BMG to secure further contracts as more solar programmes are being rolled out. Maintain BUY rating and target price of RM2.70

Traders Corner

Technical Report

- Stock highlight: UWC, CIMB, MCLEAN

Quick Bites

Genting Malaysia – Restructuring Empire’s assets to strengthen cost structure and financial position.

Empire, a wholly-owned subsidiary of Genting Malaysia, has proposed to dispose its non-gaming assets (includes hotels, golf course etc.) for RM2.2bn to Sullivan County Resort Facilities Local Development Corporation (SCRFLDC). Out of the total, 97.6% of the proceeds will be used to repay RM1.3bn in senior unsecured notes due on 1 November 2026, while RM850m will be allocated to acquire 1.5k acres of land parcels from EPR Properties (a NYSE-listed REIT). Of this, 420 acres house Empire’s non-gaming assets, while the remaining 1.1k acres are earmarked for future development. Following the disposal, Empire will lease back the non-gaming land from SCRFLDC under a land lease agreement and enter into a 20-year management agreement (with automatic renewals of up to 10-year periods) to manage the assets. (Source: Bursa Malaysia)

Comment:

The proceeds from the disposal will allow Empire to fully repay its debt, allowing the company to focus on operational improvements. Furthermore, the transaction is expected to enhance its cost structure by eliminating lease payments to EPR Properties and interest on Empire Bond. While these measures offer some positive cost savings, we believe they are unlikely to be suffice to reverse Empire’s heavy losses. Genting Malaysia will still need to undertake further initiatives to turn around the loss-making operations. We reiterate our HOLD rating with an SOP-derived target price of RM1.80.

Daily Trading Participations

	Buy (RM'm)	Sell (RM'm)	Net Buy (RM'm)
Local Institutions	1069.0	899.7	169.3
Local Retails	345.7	347.6	-1.9
Foreign	612.3	779.7	-167.4

Sources: Bloomberg

18 August 2025

Market Indices

Indices	Last	Daily chg	YTD chg%
<i>Local</i>			
FBMKLCI	1,576.34	-4.7	-4.0
FBMEas	11,731.06	-29.9	-6.8
FBMSHA	11,654.85	-53.6	-7.4
FBMSCAP	15,584.55	-11.4	-13.2
FBMACE	4,713.45	46.9	-12.4
F4GBM	949.86	-2.5	-5.9
F4GBMS	963.42	-4.9	-6.4

Foreign

Dow Jones	44,946.12	34.86	5.6
S&P 500	6,449.80	-18.74	9.7
Nasdaq	21,622.98	-87.69	12.0
FTSE	9,138.90	-38.34	11.8
Hang Seng	25,270.07	-249.25	26.0
Nikkei	43,378.31	729.05	8.7
Shanghai CI	3,696.77	30.33	10.3
Strait Times	4,230.53	-25.99	11.7

Currencies

BNM Middle Rate	Last	Daily chg	YTD
USD / MYR	4.21	0.0031	-5.8
GBP / MYR	5.71	-0.0074	1.7
JPY / MYR	2.86	0.0116	0.6
EUR/MYR	4.92	0.0026	5.7
SGD / MYR	3.28	-0.0023	0.0
CNY / MYR	0.59	0.0002	-4.2
AUD / MYR	2.74	-0.0084	-1.4

Bond Yield Movements

		Yield	D. Chg (bps)
MGS	3- year	2.95	-20
	10- year	3.36	-16
GII	3- year	3.01	-17
	10- year	3.38	-14
UST	2- year	3.75	3
	10- year	4.32	9

Commodities

	Last	Daily chg	D. chg %
CPO (3rd month)	4,511.00	523.0	13.1
Brent (1st month)	65.85	-1.0	-1.5
Gold (spot)	3,336.19	0.8	0.0

Source: Bloomberg

Phillip Research

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News of the Day

- IJM Corp unit secures RM1.4bn data centre project in Johor, its biggest yet
- Heineken Malaysia's 2Q net profit down 9%; declares 40 sen dividend
- Mi Technovation sees decline in 2Q net profit despite strong revenue growth
- SFP Tech 2Q net profit slumps amid forex losses
- Pantech Global to acquire Klang land for RM29m, scraps original IPO site plan

Market Pulse



Source: Trading View, Phillip Research

The FBMKLCI lost 4.71 points or 0.3% to close at 1,576.34 points. Daily losers for FBMKLCI constituents at 20 counters outweigh the gainers at 8 counters, while 2 remain unchanged. FBMKLCI losers were led by Petronas Chemicals Group Bhd, Celcomdigi Bhd and Kuala Lumpur Kepong Bhd which lost 2.2%, 1.8% and 1.8%, respectively. On the broader market, daily losers at 493 outweigh the gainers at 450 counters, while 497 remain unchanged. The local market tracked the negative sentiment.

The top 3 sectorial daily gainers are Transport (+0.7%), REIT (+0.2), and Energy (+0.2%) led by Boustead Heavy Industries Co (+3.7%), Amanahraya Reit (+2.7%) and Lianson Fleet Group Bhd (+2%) respectively. The top 3 sectorial daily losers are Plantation (-1.0%), Telco (-0.8%), and Industrial (-0.8%) led by Far East Holdings Bhd (-5.3%), Green Packet Bhd (-12.5%) and Ae Multi Holdings Bhd (-20%) 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	4.58	5.00	9.2
Ambank	AMM MK	Buy	5.51	6.30	14.3
CIMB Bank	CIMB MK	Buy	7.25	9.30	28.3
Hong Leong Bank	HLBK MK	Buy	19.62	24.30	23.9
Maybank	MAY MK	Buy	9.80	11.90	21.4
Public Bank	PBK MK	Buy	4.45	5.30	19.1
RHB Bank	RHBBANK MK	Buy	6.43	7.90	22.9
Construction					
AME Elite	AME MK	Buy	1.50	2.00	33.3
Gamuda	GAM MK	Buy	5.60	5.33	-4.8
Kerjaya Prospek	KPG MK	Buy	2.12	2.70	27.4
Sunway Construction	SCGB MK	Hold	5.37	5.35	-0.4
Binastra	BNASTRA MK	Buy	1.77	2.60	46.9
Southern Score Builders	SSB8 MK	Buy	0.57	0.75	31.6
EMS					
Nationgate	NATGATE MK	Buy	1.36	1.80	32.4
Gaming					
Genting Malaysia	GENM MK	Hold	2.02	1.80	-10.9
Genting	GENT MK	Buy	3.08	3.85	25.0
RGB International	RGB MK	Buy	0.28	0.73	165.5
Healthcare					
Optimax	OPTIMAX MK	Buy	0.59	0.70	18.6
UMediC	UMC MK	Buy	0.40	0.45	12.5
Rubber Glove					
Hartalega	HART MK	Hold	1.20	1.34	11.7
Kossan	KRI MK	Buy	1.22	1.94	59.0
Top Glove	TOPG MK	Hold	0.61	0.71	17.4
Industrial					
Critical	CHB MK	Buy	1.04	1.62	55.8
HE Group	HEGROUP MK	Buy	0.41	0.51	25.9
MN Holdings	MNHLDG MK	Buy	1.53	1.72	12.4
Oil & Gas					
Bumi Armada	BAB MK	Buy	0.40	0.79	100.0
Dayang Enterprise	DEHB MK	Buy	1.78	3.00	68.5
Pantech	PGHB MK	Buy	0.72	0.89	24.5
Uzma	UZMA MK	Buy	0.40	0.76	92.4
T7 Global	T7G MK	Buy	0.26	0.34	30.8
Plantation					

Genting Plantation	GENP MK	Hold	4.98	5.27	5.8
Hap Seng Plantation	HAPL MK	Hold	2.03	1.84	-9.4
IOI Corporation	IOI MK	Hold	3.82	3.84	0.5
Kuala Lumpur Kepong	KLK MK	Hold	19.46	19.60	0.7
SD Guthrie	SDG MK	Buy	4.88	5.21	6.8
Sarawak Oil Palms	SOP MK	Hold	3.48	3.01	-13.5
Sarawak Plantation	SPLB MK	Buy	2.66	2.88	8.3
Property					
Lagenda Properties	LAGENDA MK	Hold	1.19	1.25	5.0
SkyWorld Development	SKYWLD MK	Buy	0.52	0.70	34.6
Renewable					
Solarvest	SOLAR MK	Buy	2.40	3.05	27.1
Pekat	PEKAT MK	Hold	1.59	1.57	-1.3
BM Greentech	BMGREEN MK	Buy	1.78	2.70	51.7
Technology					
D&O	DOGT MK	Hold	1.05	1.30	23.8
Frontken	FRCB MK	Buy	4.25	5.20	22.4
Greatech	GREATEC MK	Buy	1.99	1.90	-4.5
Pentamaster	PENT MK	Hold	3.58	3.57	-0.3
TT Vision	TTVHB MK	Buy	0.52	0.78	50.0
UWC	UWC MK	Buy	2.75	2.60	-5.5
Telco					
OCK Group	OCK MK	Buy	0.40	0.66	67.1
Maxis	MAXIS MK	Hold	3.48	4.02	15.5
CelcomDigi	CDB MK	Hold	3.77	4.19	11.1
Telekom Malaysia	T MK	Buy	7.10	8.05	13.4
Axiata Group	AXIATA MK	Hold	2.69	2.56	-4.8
Transport					
AGX Group	AGX MK	Buy	0.50	0.96	93.9

Source: Bursa, Bloomberg, Phillip Research, price as of 15 August 2025

Malaysian news highlights

MOF: Service tax exemption on ship and aircraft leasing aimed at preventing offshore registration, ensuring competitiveness

An exemption from having to pay the 8% service tax is given for ship and aircraft leasing to prevent offshore registration, the Ministry of Finance (MOF) said on Saturday. The imposition of the service tax may encourage local ship and aircraft owners to register abroad, which could lead to a reduction in economic and tourism activities in Malaysia, the MOF said in a statement. The ministry said another reason for the exemption is to ensure the competitiveness of local industries, considering that neighbouring countries do not impose such a tax. (Source: [TheEdgeMarkets](#))

Anwar: RM5b recovered from corruption in past one to two years shows govt's resolve

The recovery of about RM5 billion in illicit gains from corruption over the past one to two years reflects the efficiency and determination of the government in combating graft, Prime Minister Datuk Seri Anwar Ibrahim said. He said the achievement demonstrates the government's firm commitment to anti-corruption efforts despite scepticism and criticism from certain quarters. "Some people make cynical remarks about governance and our strong anti-corruption drive. Let me share how much we have managed to recover in just one to two years — across all agencies, from politicians to ministries, immigration to customs. (Source: [TheEdgeMarkets](#))

Megaprojects must incorporate culture, civilisation and new technology — PM

Megaprojects to be implemented in the country must incorporate culture, civilisation and new technology for the benefit of the nation and the people, said Prime Minister Datuk Seri Anwar Ibrahim. Anwar said that in the pursuit of development, developers sometimes merely copy ideas from abroad, despite knowing that such concepts do not align with local climate, societal values and culture. (Source: [TheEdgeMarkets](#))

Ipoh Sentral expected to drive transformation with modern transport hub, smart city initiatives

The Ipoh Sentral project, anchored under the Perak Smart City 2030 Green Transport Agenda, is envisioned to transform Ipoh into a modern, sustainable and well-connected transport hub while safeguarding the city's cultural heritage and strengthening community bonds. Ipoh Sentral Sdn Bhd and Malaysian Resources Corporation Bhd (KL:MRCB), in a joint statement on Saturday, said that built on the principles of transit-oriented development (TOD), the project will seamlessly integrate rail services, buses, taxis, e-hailing, pedestrian pathways and cycling lanes. (Source: [TheEdgeMarkets](#))

Defence Ministry expanding govt-to-govt cooperation to avoid involvement of agents, middlemen in asset procurement, says Khaled

The Defence Ministry is expanding cooperation between countries through the signing of government-to-government memoranda of understanding related to defence products, said Minister Datuk Seri Mohamed Khaled Nordin. He said the initiative aims to avoid the involvement of agents of middlemen in the procurement of national defence assets. "The government remains consistent in its efforts to improve governance and ensure transparency, including in purchases of national defence assets," he said in a statement on Saturday. (Source: [TheEdgeMarkets](#))

Global news highlights

US government to shed 300,000 workers this year, Trump's HR chief forecasts

The Trump administration will likely shed around 300,000 workers this year, its new human resources chief said on Thursday, which would amount to a 12.5% decrease in the federal workforce since January. Office of Personnel Management director Scott Kupper said 80% of those workers would leave voluntarily and only 20% would be fired. It amounts to nearly a doubling of the 154,000 workers that Reuters reported had taken buyouts last month. (Source: [TheEdgeMarkets](#))

China's evolving coffee industry welcomes new 'flavour alchemists'

The challenge appeared almost impossible. It required distilling into a single cup of coffee the spirit of China's revolutionary struggle, meaning a fusion of the sacrifice, resilience and hope that defined those momentous years. For Zhang Shaoxiong, a technician sweltering in protective gear at Yunnan Comeng Industry Co, Ltd. (Comeng Coffee) in Baoshan, southwest China's Yunnan Province, this quest meant sifting through dozens of locally produced beans, conducting over 100 painstaking blending trials and tweaking roasting curves. (Source: [TheEdgeMarkets](#))

EU pushes to protect digital rules, holds up trade statement with US, FT reports

The European Union (EU) is trying to prevent the United States from targeting the bloc's digital rules, as both sides work through the final details of a delayed statement to formalise a trade deal reached last month, the Financial Times (FT) reported on Sunday. EU officials said disagreements over language relating to "non-tariff barriers", which the US said include the digital rules, are among reasons for the hold-up of the statement, the newspaper said. (Source: [TheEdgeMarkets](#))

US-India trade talks scheduled for August called off — Reuters

A planned visit by US trade negotiators to New Delhi from Aug 25-29 has been called off, a source said, delaying talks on a proposed trade agreement and dashing hopes of relief from additional US tariffs on Indian goods from Aug 27. The current round of negotiations for the proposed bilateral trade agreement is now likely to be deferred to another date that has yet to be decided, the source with direct knowledge of the matter said. (Source: [TheEdgeMarkets](#))

Eurasia welcomes alignment of Belt and Road Initiative with Eurasian Economic Union

The alignment of the China-proposed Belt and Road Initiative (BRI) with the Eurasian Economic Union (EAEU) reflects the demands of the times, demonstrates the consistency of cooperation concepts between China and Eurasian countries, and creates valuable opportunities for regional development, officials and experts have said. "Russia, together with its partners in the union, is working with China within the framework of aligning the EAEU development plans with the Belt and Road Initiative," Alexey Fadeev, deputy director of the Information and Press Department of the Russian Foreign Ministry, said at a briefing earlier this week. (Source: [TheEdgeMarkets](#))

Corporate news

IJM Corp unit secures RM1.4 bil data centre project in Johor, its biggest yet

IJM Corporation Bhd (KL:IJM), via its wholly owned subsidiary IJM Construction Sdn Bhd, has secured a RM1.4 billion contract to build a large-scale data centre in Johor Bahru, its biggest data centre project to date. This marks IJM Construction's fourth data centre project in Johor. The client's identity was not disclosed in the group's Friday statement. The fast-track contract involves constructing a six-storey data centre with integrated office facilities, as well as a refuse and recycling facility. It boosts IJM Corp's outstanding order book to RM9.2 billion, from RM7.6 billion as at end-March 2025. (Source: [TheEdgeMarkets](#))

Heineken Malaysia's 2Q net profit down 9%; declares 40 sen dividend

Heineken Malaysia Bhd (KL:HEIM) saw its net profit for the second quarter ended June 30, 2025 (2QFY2025) fall 8.93%, weighed down by slower sales and higher costs from ongoing investments. Its bourse filing showed that quarterly net profit came in at RM83 million, down from RM91.13 million a year earlier, while revenue slipped 5% to RM539.73 million from RM565.5 million. Heineken Malaysia declared a single tier interim dividend of 40 sen per share, with an entitlement date of Oct 9, to be paid on Oct 30. (Source: [TheEdgeMarkets](#))

Mi Technovation sees decline in 2Q net profit despite strong revenue growth

Mi Technovation Bhd's (KL:MI) net profit declined for a second consecutive quarter, falling 43.5% to RM15.57 million for the second quarter ended June 30, 2025 (2QFY2025), weighed down by foreign exchange losses of RM16.8 million. This compares with a net profit of RM27.58 million in the same quarter a year earlier and RM17.59 million in 1QFY2025, marking an 11.5% quarter-on-quarter (q-o-q) contraction, according to its bourse filing on Friday. (Source: [TheEdgeMarkets](#))

SFP Tech 2Q net profit slumps amid forex losses

SFP Tech Holdings Bhd's (KL:SFPTECH) second quarter (2Q) net profit plunged 95.52% to RM577,000 from RM12.89 million a year earlier, dragged down by an unrealised foreign exchange (forex) losses of RM6 million, lower gross profit contributions and higher staff-related costs. Earnings per share for the quarter ended June 30, 2025 fell to 0.02 sen from 0.54 sen previously, the group's bourse filing on Friday showed. (Source: [TheEdgeMarkets](#))

Pantech Global to acquire Klang land for RM29m, scraps original IPO site plan

Newly-listed Pantech Global Bhd (KL:GLOBAL) has bought a parcel of industrial land in Klang, Selangor, for RM29 million in a bid to fast-track its expansion plans, while scrapping its earlier land acquisition earmarked under its initial public offering (IPO) exercise. In a filing with Bursa Malaysia on Friday, the carbon steel pipe fittings manufacturer said the proposed acquisition will be undertaken by its wholly-owned subsidiary Pantech Steel Industries Sdn Bhd from Uptown Promenade Sdn Bhd, a unit of Rhong Khen International Bhd (KL:RKI). (Source: [TheEdgeMarkets](#))

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