

BULLETIN TODAY

TUESDAY | 21 January 2025

BURSA MALAYSIA

Index	Closing	Pts Chg	% Chg
FBM-KLCI	1,572.34	5.62	0.36
Volume: Total (mil):	2,952.18	(161.93)	(5.20)
Total Value (RM' mil):	2,447.18	(618.47)	(20.17)
Gainers	628		
Losers	397		
Unchanged	474		

TRADE STATISTICS

Participation	Bought	Sold	Net
39.02 Institution	1,028	882	147
19.80 Retail	481	489	(8)
41.18 Foreign	939	1,077	(138)
100.00	2,447	2,447	0

FTSE-BURSA MALAYSIA

Index	Closing	Pts Chg	% Chg
FBM 70	18,062.49	116.61	0.65
FBM 100	11,747.85	51.88	0.44
FBM Palm Oil - NC	12,065.77	44.68	0.37
FBM Smallcap	17,388.77	134.04	0.78
FBM Emas	12,065.83	57.00	0.47
FBM Fledgling	19,093.21	25.99	0.14

WORLD

Index	Closing	Pts Chg	% Chg
Dow Jones	43,488	335	0.78
Nasdaq	19,630	292	1.51
FTSE 100	8,521	15	0.18
Nikkei 225	38,903	451	1.17
Hang Seng	19,926	342	1.75
Korea Kospi	2,520	(4)	(0.14)
Singapore STI	3,808	(3)	(0.07)
Thailand SET	1,341	(0)	(0.01)
Jakarta	7,171	16	0.22
Shanghai	3,244	3	0.08
Shenzhen	1,935	19	0.97

KLCI FUTURES

Index	Closing	Pts Chg	% Chg	Volume
FBM-KLCI	1,572.34	5.62	0.36	320m
FKLI - Jan 25	1,562.50	(4.50)	(0.29)	6,538
FKLI - Feb 25	1,566.00	(4.50)	(0.29)	2,481
FKLI - Mar 25	1,548.00	(4.50)	(0.29)	225
FKLI - Jun 25	1,557.00	(4.50)	(0.29)	75

FOREX & COMMODITIES

	Closing	Pts Chg	% Chg
CPO Futures (Apr)	4,206.00	16.00	0.38
Brent (USD/b)	80.15	(0.64)	(0.79)
Gold (USD/Ounce)	2,708.21	4.96	0.18
USD/RM	4.4932	(0.0133)	(0.30)
SGD/RM	3.2908	(0.0066)	(0.20)
JPY/RM	2.8871	0.0039	0.14

HIGHLIGHTS

- U.S. markets were closed in observance of the Martin Luther King Jr Day
- DATASONIC GROUP BHD – RECEIVED TWO LETTERS OF AWARD FROM KDN TO SUPPLY PASSPORT DOCUMENTS AND POLYCARBONATE DATA PAGES; BUY, TP: RM0.66**
- SOLARVEST HOLDINGS BHD – ENTERED INTO A MOU WITH FBG LAND SDN BHD TO JOINTLY DEVELOP CLEAN ENERGY SOLUTIONS FOR MEDICITY; BUY, TP: RM2.02**
- MITI: Malaysia's 2024 trade jumps 9.2% Y-o-Y to record high
- Eurozone construction output expands 1.2% Y-o-Y, strongest since early 2023
- China retains loan prime rates as expected
- German producer price inflation accelerates in December
- Fajarbaru Builder** to lead Medi-City project in Penang
- UUE** secures RM27.5m in contract renewals
- SkyWorld** eyes diversifying into prefabricated manufacturing business
- 7-Eleven Malaysia** to set up 100 Seven Bank cash recycling machines at its outlets
- Maxland** inks deal with GDC Data for data centre development collaboration
- Tex Cycle** partners with Xantara to enhance scheduled waste management capabilities
- Mieco** to sell two pieces of industrial land in Kuantan at RM2.5m loss

THE SLANT

- The FBM KLCI sustained its recovery for a second day and starting the new week on a firmer note, helped by sustained bargain hunting by local institutions on some of the beaten down sector leaders. Even so, overall market conditions were relatively benign as market interest was thinner with less than 3.0b units changing hands. Nevertheless, market breadth remained comfortably in the positive zone with most lower liners also pushing higher and extending their recovery.
- We see near-term market conditions staying mildly encouraging after the new U.S. President and China played down concerns over a trade spat that is seen as positive for Malaysia's external sector performance and could help the key index to recover further over the near term. However, the recovery could still be capped by the persistent selldown by foreign funds that may also encourage some quick profit taking activities. At the same time, there are also still few domestic leads to entice more market players to take-up more positions. As such, the mild upsides are likely to prevail for now with the FBM KLCI to target the next hurdles at the 1,576-1,580 levels, followed by the 1,585 level. On the downside, the supports are at the 1,566 and the 1,555 levels respectively.
- We also see the lower liners continuing with their near-term rebound as they also recover from their bout of oversold. The upsides would also be modest due to the prevailing low buying interest with only mild bouts of bargain hunting helping these stocks to head higher.

COMPANY UPDATE

- **DATASONIC GROUP BHD – RECEIVED TWO LETTERS OF AWARD FROM KDN TO SUPPLY PASSPORT DOCUMENTS AND POLYCARBONATE DATA PAGES; BUY, TP: RM0.66**

Datasonic Group Bhd has received two letters of extension from Kementerian Dalam Negeri (KDN) for the supply of Malaysian Passport Documents (RM57.2m) and Polycarbonate Biodata Pages (RM93.3m) to Jabatan Imigresen Malaysia from December 2024 to November 2025 (12 months). The total contract value amounts to RM150.5m.

These contract extension moves are in line with our expectations with the contract value remaining within our forecasts, following the delivery completion of the previous passport related products in November 2024. The recent contract wins also provided strengthened earnings visibility with the contracts period extended to 12 months, instead of 6 months received in the previous contracts. We reiterate our **BUY** rating for Datasonic with the same **TP** of **RM0.66**, derived from ascribing an unchanged target PER of 17.5x to its unchanged FY26F EPS, based on its present firm fundamentals.

- **SOLARVEST HOLDINGS BHD – ENTERED INTO A MOU WITH FBG LAND SDN BHD TO JOINTLY DEVELOP CLEAN ENERGY SOLUTIONS FOR MEDICITY; BUY, TP: RM2.02**

Solarvest Holdings Bhd has entered into a Strategic Collaboration Agreement with FBG Land Sdn Bhd (FLSB), a subsidiary of **Fajarbaru Builder Group Bhd** with the intention to collaborate in developing Medicity as a net zero township, which includes the provision of solar panel systems, EV charging infrastructure, EV fleet, energy efficiency, battery energy storage system and green attributes trading. Under this agreement, FLSB will act as the developer and provide construction works, while Solarvest will provide FLSB with the installation of related clean energy solutions and to sell solar energy to the property owners, among others. The MOU will be valid for two years.

As there are limited details on the specific collaboration arrangements and their potential contribution to the company's earnings, there will be no immediate effect on its earnings forecast and we keep our **BUY** rating on Solarvest with an unchanged **TP** of **RM2.02**, derived from our SOTP valuation (EPCC: 30x, recurring income- LSS4/CGPP/Powervest: DCF). Looking ahead, we expect Solarvest, in its capacity as an EPCC player and/or asset owner, to benefit from the imminent LSS5 award announcements, which will support its earnings following the completion of the CGPP awards.

GLOBAL AND ECONOMIC UPDATE

- U.S. markets were closed in observance of the Martin Luther King Jr Day.
- **MITI: Malaysia's 2024 trade jumps 9.2% Y-o-Y to record high**
Malaysia's exports continued their expansionary trajectory in 2024, driven by strong performances in both manufactured and agricultural products. Exports rose 5.7% Y-o-Y to RM1.508 tr Y-o-Y in 2024, driven by increases in exports to Asean, the U.S., EU and Taiwan — with exports to the U.S. and Taiwan reaching an all-time high. At the same time, imports jumped 13.2% Y-o-Y to RM1.371 tr. The growth in exports and imports drove Malaysia's total trade for 2024 up 9.2% Y-o-Y to a new record high of RM2.879 tr. [The Edge Markets](#)

- **Eurozone construction output expands 1.2% Y-o-Y, strongest since early 2023**
Eurozone construction production grew at the fastest pace in nearly two years in November. Construction output rose 1.2% M-o-M after a 0.8% rebound in October. Further, the latest expansion marked the fastest since February 2023, when production had risen by 1.5% M-o-M. The accelerated growth in output was mainly driven by the 1.2% M-o-M increase in specialised construction activities. Civil engineering activity and construction of buildings advanced by 0.5% and 0.3% M-o-M respectively. On a Y-o-Y basis, industrial production rose 1.4% in November, following a flattish trend in October. It was also the first growth in ten months. [RTT News](#)
- **China retains loan prime rates as expected**
The People's Bank of China (PBoC) maintained its interest rates for the third straight session as policymakers await the stance of new U.S. administration. The PBoC left its one-year loan prime rate at 3.10%. Similarly, the five-year LPR, the benchmark for mortgage rates, was held at 3.60%. The decision matched expectations. The bank had reduced its both LPRs by 25 bps each in October 2024. Although the ability to manoeuvre the monetary policy is limited due to the weakness of yuan, the central bank is likely to lower policy rates amid trade tariff hike threats by U.S. President Donald Trump. [RTT News](#)
- **German producer price inflation accelerates in December**
Germany's producer prices grew at a faster pace in December, largely due to higher capital goods prices. The producer price index registered an annual growth of 0.8% after a 0.1% gain in November. Prices increased for the second straight month. The annual growth in PPI largely reflects the 1.8% increase in capital goods prices. Consumer goods, durable goods and intermediate goods were also more expensive than in the same month last year, while energy was cheaper. On a monthly basis, producer prices edged down 0.1%, reversing a 0.5% rise in November. Prices were forecast to climb 0.3% M-o-M in December. [RTT News](#)

CORPORATE NEWS

- **Fajarbaru Builder to lead Medi-City project in Penang**
Fajarbaru Builder Group Bhd has signed the master purchase and development agreement with Penang Development Corp (PDC) for the first phase of the Penang Medi-City project in Batu Kawan, set to position the state as a regional medical tourism hub. To achieve this vision, the group has also entered into strategic collaborations with various partners to enhance the project's impact, including Pelaburan Hartanah Bhd, **Solarvest Holdings Bhd**, **KJTS Group Bhd** and Cellaax Sdn Bhd. The Medi-City project, spanning 235.8 ac., is a comprehensive development incorporating healthcare and wellness into residential, retail and commercial components.

As part of the agreement, the group will acquire Parcel 1 of the project, measuring 51.2 ac., for RM111.5m, to be funded through a mix of bank borrowings and internally generated funds. The development of Parcel 1 is projected to have a gross development value of RM2.00b over eight years. A profit-sharing arrangement has also been established, ensuring that PDC will receive RM36.8m over the same period. It plans to dedicate at least 30% of Parcel 1 to healthcare and medical facilities, which will include a 200-bed specialist hospital, a healthcare complex, and a wellness centre. The remaining 70% of the area will feature mixed-use developments aimed at fostering a balanced urban environment. [The Edge Markets](#)

- **UUE secures RM27.5m in contract renewals**
UUE Holdings Bhd has secured two contract renewals worth a total of RM27.5m from Sutera Utama Sdn Bhd. The first contract, valued at RM13.0m, involves the installation, testing and commissioning of 11kV underground cables and related accessories in **Tenaga Nasional Bhd**'s east coast distribution network. This renewal brings the total value of the project to RM39.1m and is expected to be completed by February 2026. The second contract, worth RM14.5m, covers similar works in the southern region of Malaysia. This renewal increases the total value of the project to RM43.6m, with completion slated for December 2025. *The Edge Markets*

- **SkyWorld eyes diversifying into prefabricated manufacturing business**
SkyWorld Development Bhd has proposed to diversify into manufacturing prefabricated and prefinished modular systems, which it plans to employ in its affordable housing project in Penang. The new business could potentially contribute a quarter of its net profit and will be undertaken via a collaboration with Singapore-based prefabricated and prefinished modular systems maker, Teambuild Holdings (S) Pte Ltd. The group plans to leverage Teambuild's expertise, skills and technical know-how as a contractor with a strong 12-year track record in the use of prefabricated and prefinished volumetric construction (PPVC) technology in the new venture. Teambuild holds a 30% stake in collaboration vehicle Prefab Master Sdn Bhd, while SkyWorld controls 70%. *The Edge Markets*

- **7-Eleven Malaysia to set up 100 Seven Bank cash recycling machines at its outlets**
7-Eleven Malaysia Holdings Bhd is setting up 100 original cash recycling machines (CRMs) at its outlets across Malaysia. The CRMs — offering cheque deposit machine (CDM) and automated teller machine (ATM) services — are deployed by Reachful Malaysia Sdn Bhd. Reachful is a joint-venture company of Japan-based Seven Bank Ltd (50.1%), 7-Eleven Malaysia's unit 7-Eleven Services Sdn Bhd (24.9%), HQZ Credit Sdn Bhd (20%) and **SMRT Holdings Bhd** (5%). *The Edge Markets*

- **Maxland inks deal with GDC Data for data centre development collaboration**
Maxland Bhd has inked a formal deal to collaborate with data processing services provider GDC Data Sdn Bhd to jointly venture into data centre development in Kulim, Kedah. Under the deal, GDC Data will acquire a 49% stake in Maxland Real, which is to serve as the joint-venture (JV) company for the collaboration. Both Maxland and GDC Data are to inject RM12.0m each — an aggregate RM24.0m — into the JV company. Other terms outlined that Maxland is responsible for securing financing for the venture, while GDC is to procure offtakers and engage turnkey contractors. *The Edge Markets*

- **Tex Cycle partners with Xantara to enhance scheduled waste management capabilities**
Tex Cycle Technology (M) Bhd is collaborating with waste management and recycling company Xantara Sdn Bhd to enhance scheduled waste management capabilities and expand business opportunities. The partnership combines the group's expertise in waste recovery and recycling with Xantara's facilities and technical capabilities in waste treatment. It added that the collaboration will address scheduled waste codes, including spent catalyst recycling (SW202) and scientific waste treatment (SW204, SW206), broadening both companies' ability to manage a wider range of waste effectively. *The Edge Markets*

- **Mieco to sell two pieces of industrial land in Kuantan at RM2.5m loss**
Mieco Chipboard Bhd is disposing of two pieces of industrial land in Kuantan, Pahang, for RM40.0m to transportation company G-Force Sdn Bhd, in a bid to reduce fixed overhead costs and improve production efficiency. The disposal will result in an estimated net loss of RM2.5m. This disposal follows the group's strategic rationalisation, which involved consolidating operations at its Kuala Lipis plant to centralise production and achieve cost efficiencies. Proceeds from the sale are earmarked for debt redemption amounting to RM24.0m, working capital amounting to RM15.7m, as well as transaction-related expenses amounting to RM300.0k. The transaction is expected to be completed in 2H2025, subject to the approval of the Pahang state authorities for the transfer of the leasehold properties. [The Edge Markets](#)

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