



Daily Newswatch

Market Review

The FBM KLCI fell to 1635 points on October 3, 2025, losing 0.2% from the previous session. After a week of gains, this modest dip was a slight retracement, with some investors taking profits while the market sentiment remained cautiously hopeful. Earlier in the week, foreign purchasing and optimistic predictions regarding US interest rate cuts helped the index hit a nearly nine-month high. By sector, the Energy Index climbed by 0.6%, followed by Consumer Products & Services and Technology, each increasing by 0.5%. Among key index constituents, 99SMART was the top performer with a 1.4% gain, followed by MRDIY and CIMB with gains of 1.2% and 1.1% respectively. Overall market breadth was almost neutral, with 521 gainers against 516 losers.

As industrial data showed indications of growth, the Shanghai Composite gained 0.52% to settle at 3,883 on Tuesday (last day of the trading week), while the Shenzhen Component gained 0.35% to close at 13,527. With the tech-focused Shenzhen Component gaining 6.54% in September, Chinese stocks have increased this month as investors continue to be drawn to advancements in artificial intelligence, semiconductors, and related technology. Giga Device Semiconductor (+8.2%), Zhejiang Sanhua Intelligent (+3.9%), and Seres Group (+7.8%) all saw significant advances on Tuesday. Chinese markets closed from Oct. 1 to 8 for the 'Golden Week' holiday.

European stocks ended the week largely higher, continuing the upward trend driven by luxury and healthcare businesses. Both the pan-European STOXX 600 and the Eurozone's STOXX 50 reached record highs, rising 0.5% to 570 and 5.651 respectively. As markets evaluated Chinese consumption during their golden week, luxury behemoths like LVMH, Kering, and Hermes saw increases of 4% to 1%.

As the US government shutdown entered its third day, the Nasdaq fell 0.3%, the Dow Jones continued its record run, increasing 240 points to finish at 46,758 after briefly reaching 47,000 during the session, and the S&P 500 closed largely unchanged on Friday. Major tech companies exerted pressure, with Palantir Technologies leading the S&P 500 lower with a 7.5% decline, followed by a 1.4% and 0.7% decline for Tesla and Nvidia, respectively. Ahead of the Federal Reserve's October policy meeting, investors were preoccupied with the shutdown, which caused a blackout of economic data and postponed the September jobs report. All three major indices recorded strong weekly gains in spite of these challenges, with the S&P 500 up 1.1%, the Dow up 1%, and the Nasdaq up 1.3%.

Macro Snapshots

- US:** Bid to end shutdown fails in Senate; Trump freezes aid to Chicago
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- MY:** Sets regional example on GovTech, says World Bank
- IN:** Central bank proposes to ease foreign borrowing rules for firms

Corporate Snapshots

- MAXIS:** Secures 4G spectrum for RM400m from MCMC
- MALAKOF:** Secures 30-year PPA for 100MW solar plant in Bintulu
- NEXG:** Secures RM732.7m MyKad supply contract from Home Ministry
- SLVEST:** PMETAL, to build RM380m solar plant in Mukah, Sarawak

Key Indices	Last Close	Daily chg %	YTD chg %
FBM KLCI	1,635.1	(0.2)	(0.4)
Dow Jones	46,758.3	0.5	9.9
Nasdaq CI	22,780.5	(0.3)	18.0
S&P 500	6,715.8	0.0	14.2
SX5E	5,651.7	0.1	15.4
FTSE 100	9,491.3	0.7	16.1
Nikkei 225	45,769.5	1.9	14.7
Shanghai CI	3,882.8	0.5	15.8
HSI	27,140.9	(0.5)	35.3
STI	4,412.0	0.4	16.5

Market Activities	Last Close	% Chg
Vol traded (m shares)	4,037.9	(5.6)
Value traded (RM m)	2,502.6	(36.3)
Gainers	521	
Losers	516	
Unchanged	573	

Top 5 Volume	Last Close	Daily chg %	Vol (m)
BORNOIL	0.005	0.0	522.2
VS	0.570	(5.0)	84.5
SCIB	0.210	27.3	82.8
ZETRIX	0.850	(0.6)	78.2
PHRM	0.280	0.0	61.7

Top 5 Turnover	Last Close	Daily chg %	Val (RM m)
TENAGA	13.280	(1.3)	98.2
CIMB	7.680	1.1	88.5
ZETRIX	0.850	(0.6)	66.2
IHH	8.130	(1.6)	65.9
MAYBANK	10.000	0.2	60.7

Currencies	Last Close	% Chg
USD/MYR	4.209	(0.1)
USD/JPY	147.470	(0.1)
EUR/USD	1.174	0.2
USD/CNY	7.121	0.0
US Dollar Index	97.723	(0.1)

Commodities		
Brent (USD/barrel)	64.5	0.7
Gold (USD/troy oz)	3,886.5	0.8
CPO (MYR/metric t)	4,400.0	(0.2)
Bitcoin (USD/BTC)	122,165.6	(0.3)

Source: Bloomberg



Macro News

US: Bid to end shutdown fails in Senate; Trump freezes aid to Chicago

US President Donald Trump's administration froze US\$2.1bn (RM8.9bn) in Chicago transit funding on Friday, starving another Democratic city of funds as a bid to end the government shutdown failed again in the Senate. On the shutdown's third day, Trump ramped up pressure on Democrats to end the standoff and agree to a Republican plan that would restore government funding. But that failed in a 54-44 Senate vote, short of the chamber's 60-vote standard, ensuring that the shutdown will last until at least Monday. The administration has now frozen at least US\$28bn in funding for Democratic cities and states, escalating Trump's campaign to use the extraordinary power of the US government to punish political rivals. Budget director Russ Vought said the Chicago money, earmarked for elevated train lines, had been put on hold to ensure it was not "flowing via race-based contracting". *(Reuters)*

US: Services sector stalls as new orders slow to a crawl, employment weak

US services sector activity stalled in September amid a sharp slowdown in new orders, while subdued employment added to mounting evidence of sluggish labor market conditions because of waning demand and supply of workers. The survey from the Institute for Supply Management (ISM) on Friday could gain more prominence after a lapse in funding undefined forced a shutdown of the U.S. government and delayed the release of the closely watched monthly employment report for September. The ISM said its nonmanufacturing purchasing managers index (PMI) fell to 50 last month, the breakeven level, from 52.0 in August. Economists polled by Reuters had forecast the services PMI easing to 51.7. The services sector accounts for more than two-thirds of U.S. economic activity. *(Reuters)*

US: Appeals court rejects Trump's order curtailing birthright citizenship

President Donald Trump's effort to curtail birthright citizenship was declared unconstitutional by a second U.S. appeals court on Friday, handing him another defeat on a core piece of his hardline immigration agenda whose ultimate fate may lie with the U.S. Supreme Court. A three-judge panel of the Boston-based 1st U.S. Circuit Court of Appeals upheld injunctions won by Democratic-led states and immigrant rights advocates that have stopped the Republican president's executive order from taking effect nationwide. Trump's order, issued on his first day back in office on January 20, directs agencies to refuse to recognize the citizenship of U.S.-born children who do not have at least one parent who is an American citizen or lawful permanent resident, also known as a "green card" holder. *(Reuters)*

MY: Sets regional example on GovTech, says World Bank

Malaysia is emerging as a regional model for harnessing government technology (GovTech) to enhance productivity and strengthen public trust, according to the World Bank. The development bank said in a statement that Malaysia's substantial investments in digital infrastructure such as MyGovCloud and MyDigital ID, alongside the establishment of new institutions like the Ministry of Digital and the National Digital Department (JDN), have positioned the country as a regional leader in digital government maturity. The World Bank's report, titled *From Bytes to Benefits: Digital Transformation as a Catalyst for Public Sector Productivity*, noted that Malaysia has committed significant financial and political capital to building a digitally ready government, with GovTech recognised as a driver of productivity and socio-economic transformation under the 12th and 13th Malaysia Plans. *(The Star)*

CN: Urges Trump to lift security curbs in push for deals

China is pushing the Trump administration to roll back national-security restrictions on Chinese deals in the US, dangling the prospect of a massive investment package as part of a proposal that would upend a decade of policy. In addition, President Xi Jinping's negotiators want the US to lower tariffs on imported inputs used by any Chinese factories built in the US, according to people familiar with the matter, who asked not to be identified discussing private deliberations. The proposals were raised during trade talks in Madrid last month, the people said. During those meetings, the two sides reached a framework deal to keep Chinese social-media giant TikTok operating in the US, despite national security concerns raised by American lawmakers. *(Bloomberg)*

IN: Central bank proposes to ease foreign borrowing rules for firms

India's central bank on Friday proposed linking corporate foreign borrowing limits to financial strength and scrapping cost caps on most such debt in a push to improve funding flows under wider measures unveiled this week by Governor Sanjay Malhotra. The RBI's proposal allows firms to raise up to US\$1bn or 300% of net worth, whichever is higher. This replaces the earlier US\$1.5bn cap under the automatic route, which needed specific approval for larger sums. The central bank also suggested scrapping cost caps, permitting external commercial borrowings at market-determined interest rates, instead of the previous ceiling of a global benchmark, plus 500–550 basis points. *(Reuters)*



Corporate News

IHH: Finally gets regulatory nod to proceed with Fortis Deal, ending seven-year hold-up

IHH Healthcare Bhd said it has received the approval of India's stock exchange regulator to proceed with its mandatory open offer for a 26% stake each in Fortis Healthcare Ltd and Malar Hospitals Ltd, some seven years after it was first proposed. The mandatory offer of up to 197.0m Fortis shares from existing Fortis shareholders was first announced in July 2018, following IHH's entry as a white knight into Fortis with a subscription of new shares representing a 31.1% stake for about RM2.4bn. Fortis owns a 62.4% stake in Malar Hospitals, which operates a healthcare business in Chennai. *(The Edge)*

MAXIS: Secures 4G spectrum for RM400m from MCMC

Maxis Bhd said it has accepted a spectrum assignment offer from the Malaysian Communications and Multimedia Commission (MCMC) for RM400m. The telecommunications group said in a brief bourse filing that it is getting the offer for 2X10MHz block of 2100MHz spectrum with an upfront payment of RM100m, and cumulative annual payments of RM300m "for the entire assignment period". However, it did not indicate how long this period would be. The 2100MHz frequency band, often referred to as Band 1, is primarily used for carrying 4G traffic and helping to boost network capacity, especially in dense urban areas. *(The Edge)*

MALAKOFF: Secures 30-year power purchase agreement for 100MW solar plant in Bintulu

Malakoff Corp Bhd said on Friday that its unit has signed a 30-year power purchase agreement (PPA) to develop and operate a 100MWac solar photovoltaic plant in Bintulu, Sarawak. In a bourse filing, the group said the agreement was signed between its 70%-owned subsidiary, Malakoff Evergreen Sdn Bhd (MEVSB), and state utility firm Syarikat SESCO Bhd. MEVSB is a special-purpose vehicle jointly owned by Malakoff's wholly-owned Tuah Utama Sdn Bhd (70%) and EE Solar Sdn Bhd (30%). *(The Edge)*

SLVEST: Press Metal to build RM380m solar plant in Mukah, Sarawak

Solarvest Holdings Bhd and Press Metal Aluminium Holdings Bhd will jointly develop a 100MWac solar photovoltaic (PV) plant in Mukah, Sarawak, at an estimated cost of RM380m. In separate filings with Bursa Malaysia, the companies said Solarvest and Press Metal, through their joint venture Mukah Solar Powerplant Sdn Bhd (MSPSB), have signed a power purchase agreement with state utility firm Syarikat SESCO Bhd to build and operate a solar plant in Mukah, which is expected to begin operations by Nov 30, 2027. Solarvest owns a 60% interest in the joint venture while Press Metal owns the remaining stake. The project will be mainly funded through bank borrowings secured by MSPSB, while Press Metal and Solarvest's equity contribution will come from internally-generated funds. *(The Edge)*

MBSB: Committed RM1.3bn to Weststar Aviation Services Sdn Bhd for aviation expansion

Financial services firm MBSB Bhd has committed RM1.3bn to support the expansion of Weststar Aviation Services Sdn Bhd (WASSB) — the aviation arm of The Weststar Group — through a landmark syndicated Islamic financing facility. The funding will support helicopter acquisitions, working capital, corporate purposes, and foreign exchange (forex) forward contracts facility to manage forex exposure. MBSB Investment Bank Bhd, the wholesale banking unit of MBSB, is acting as the joint-lead arranger for the syndicated Islamic financing facility. *(The Edge)*

NEXG: Secures RM732.7m next-generation MyKad supply contract from Home Ministry

NexG Bhd, formerly known as Datasonic Group Bhd, has secured a six-year contract worth RM732.7m to supply Malaysia's national identity cards, including MyKad and MyTentera, from the Ministry of Home Affairs. The contract will start from June 1, 2026 and last till May 31, 2032, NexG said in a statement Friday. The identity cards, to be supplied to the National Registration Department, include the special card issued under the Prevention of Crime Act, MyPoca. *(The Edge)*

CTOS: Names Tan Ming Yew as new chief financial officer

Credit scoring firm CTOS Digital Bhd has appointed Tan Ming Yew as its new chief financial officer (CFO), effective Oct 13. Tan, 43, replaces Chiam Hsing Chee, who stepped down on Sept 28 due to personal commitments abroad, after serving more than two years. A chartered financial analyst and chartered accountant, Tan has over 20 years of experience in finance, banking and payments. He held leadership roles at Bank Pembangunan Malaysia Bhd, Payments Network Malaysia Sdn Bhd (PayNet) and AmBank Group, according to CTOS Digital's bourse filing. *(The Edge)*

GCAP: Appointed non-revenue water specialist for Perlis project

Renewable energy solution provider G Capital Bhd has been appointed as non-revenue water (NRW) specialist for the Perlis NRW reduction programme (Phase 1). Its 51%-owned subsidiary G Capital Water Solutions Sdn Bhd (GCWS) received a letter of award from Senie Associates Sdn Bhd, the consulting engineer engaged by Pengurusan Aset Air Bhd (PAAB) to implement the programme. The contract is valued at RM300,000, according to the group's filing with Bursa Malaysia. The government-funded project, backed by a grant from the Ministry of Energy Transition and Water Transformation through the Department of Water Supply, is expected to be completed within three years beginning Oct 1, 2025. GCWS' scope of work includes flow measurement tests, leakage detection and hydraulic modelling, pipe assessments and outflow measurements. *(The Edge)*



PLYTEC: Shelves Main Market listing transfer, cites timing and financial considerations

ACE Market-listed Plytec Holding Bhd has aborted its plan to transfer its listing to the Main Market of Bursa Malaysia. In a filing with the stock exchange on Friday, the construction engineering services firm said it had withdrawn its application for the proposed transfer, which was submitted to the Securities Commission Malaysia (SC) on June 30 this year. Under the SC's equity guidelines, a company seeking to transfer to the Main Market must record uninterrupted profits for three to five full financial years, with an aggregate profit after tax (PAT) of at least RM20m. It must also achieve at least RM6m PAT in the most recent year. According to Plytec's filing on April 30, the company posted an aggregate consolidated PAT of RM35.8m over the past three financial years between 2022 and 2024. For 2024 alone, it reported an adjusted PAT of RM12.9m. *(The Edge)*

SCBUILD: Fortune Frontline now second-largest shareholder with 18.8% stake after placement

SC Estate Builder Bhd on Friday announced the emergence of Fortune Frontline Sdn Bhd as its second-largest shareholder, following the subscription of one billion shares via a private placement. According to the group's filing with Bursa Malaysia, the shares were subscribed on Oct 1 through a pledged securities account under City Exotic Sdn Bhd, giving Fortune Frontline an 18.8% stake in the construction outfit. Vantage Matrix Sdn Bhd, the vehicle of Lee Ghee Ming and Tan Chai Leng, is the group's largest shareholder. A separate filing with Bursa revealed that SC Estate Builder chairman and managing director/ CEO Loh Boon Ginn's stake has been diluted to 232.0m shares, or 4.4%, as a result of the enlarged share base from the placement exercise. The changes come on the back of SC Estate Builder's 30% private placement completed last month, which saw the issuance of up to 1.2bn new shares at 4.3 sen each. *(The Edge)*

METRO: Naza Group's Sheikh Mohd Nasarudin emerges as substantial shareholder

Metro Healthcare Bhd said businessman Sheikh Mohd Nasarudin, a scion of the Naza family, has emerged as a substantial shareholder in the obstetrics and gynaecology healthcare service provider with a 5.021% stake. Nasarudin is the son of the late Tan Sri SM Nasimuddin SM Amin, founder of the Naza Group. The businessman acquired 284,500 shares of Metro Healthcare via the open market on Oct 1, raising his direct stake to 4.597%. He also holds an indirect interest of 0.424% in the company, according to the company's bourse filing. *(The Edge)*

Upcoming key economic data releases	Date
US Trade Balance	Oct 7
US Initial Jobless Claims	Oct 9
US Wholesale Inventories	Oct 9
US Nonfarm Payrolls	Oct 10
US Unemployment Rate	Oct 10
Source: Bloomberg	



Stock Selection Based on Dividend Yield

	Sector	Price (RM)	Dividend/Share (RM)	Dividend Yield (%)
British American Tobacco (M)	Consumer	5.13	0.53	10.33
Taliworks Corporation	Utilities	0.54	0.05	9.35
REXIT	Technology	0.54	0.05	9.26
MBM Resources	Consumer	5.28	0.42	7.92
KIP REIT	REIT	0.89	0.07	7.80
Sentral REIT	REIT	0.79	0.06	7.77
Ta Ann Holdings	Plantation	4.13	0.31	7.41
CapitaLand Malaysia Trust	REIT	0.63	0.05	7.36
Bermaz Auto	Consumer	0.69	0.05	7.15
Paramount Corporation	Property	1.06	0.08	7.08
MAG Holdings	Consumer	1.37	0.10	6.93
Magnum	Consumer	1.37	0.10	6.93
YTL Hospital REIT	REIT	1.11	0.07	6.67
Sports Toto	Consumer	1.41	0.09	6.60
RHB Bank	Finance	6.80	0.45	6.56

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		
Cheeding Holdings Berhad	ACE Market	0.36	143.0	65.0	23 Sep	7 Oct
Verdant Solar Holdings Berhad	ACE Market	0.31	142.0	73.6	7 Oct	22 Oct
THMY Holdings Berhad	ACE Market	0.31	143.9	88.8	9 Oct	23 Oct

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