



Daily Newswatch

Market Review

The FBM KLCI remained flattish on Wednesday to close at 1,611 points as regional markets rallied. All sectors closed positively as Telecommunications, Energy and Healthcare were among top performers with gains of 1.6%, 1.3% and 1.0% respectively. Among key index constituents, 99SMART, MAXIS and PETDAG turned up as top gainers, rising 3.6%, 2.2% and 1.3% respectively. Overall market breadth finally turned positive as gainers prevailed over losers by 724 to 421.

Asian stocks rebounded on Wednesday following Fed Chair Powell's neutral comments which saw higher expectations for more interest rate cuts amid US-China tensions. The Shanghai Composite closed higher 1.2% to 3,912 points, TAIEX rising 1.8% to 27,275 points, the Nikkei 225 rising 1.8% to 47,672 points and the Hang Seng was up 1.8% to 25,910 points. Shanghai saw Information Technology (+2.4%) and Consumer Discretionary (+2.0%) led sectoral gains, meanwhile Communication Service (+3.2%) and Information Technology (+2.3%) lifted up Japan's market. In Taiwan, Information Technology also led gains by 2.3%. Concurrently, the Hang Seng saw China Life Insurance (+6.0%) and JD Health International (+5.8%) led gains for the day.

On Wednesday, European stocks recovered, with the Stoxx 600 rising more than 0.5% and the Stoxx 50 up almost 1%. Following LVMH's 12% increase on higher-than-expected revenues, luxury stocks took the lead in the rally, outperforming peers Hermès (+7%), Moncler (+7%), Richemont (+6%), Kering (+5.3%), and Burberry (+3.3%). As investors wager that Prime Minister Sebastien Lecornu's new cabinet would withstand impending no-confidence votes, France's CAC 40 increased 2.2%, marking its biggest day since April. beyond Lecornu secured Socialist support and promised to postpone the contentious pension reform until beyond 2027, sentiment significantly improved. Following US Treasury Secretary Scott Bessent's suggestion that tariffs on China would be postponed, trade tensions also subsided late in the day.

Wall Street closed mostly higher on Wednesday as strong results from Morgan Stanley and Bank of America helped to boost the banking sector, causing the S&P 500 to rise by 0.4%. Bank of America's shares increased 4.4%, while Morgan Stanley's reached a record high of 4.7%. Following better-than-expected orders and operating profits from ASML, which demonstrated strong demand for AI, the Philadelphia Semiconductor Index jumped 3%, supporting the 0.7% increase in the Nasdaq 100. As trade tensions between Washington and Beijing persisted, including increased port fees and threatening penalties, and volatility remained high, the Dow ended the day slightly lower.

Macro Snapshots

- US:** Fed rate cut optimism, safe-haven demand fuel gold's rally
- CN:** Deflation eased in September but price declines linger
- MY:** Malaysia's medical device exports up 31% to RM37b in 2024
- ID:** Palm oil imports hit four-month low as refiners favour cheaper soyoil

Corporate Snapshots

- ADVCON:** Clinches RM36.1m infra works job from Sime Darby Property
- NEXG:** Foreign worker card supply contract extended; more directors resign
- COASTAL:** Secures RM12.8m liftboat charter contract
- CRESBLD:** Clinches RM23.9m concrete work contract

Key Indices	Last Close	Daily chg %	YTD chg %
FBM KLCI	1,611.6	0.0	(1.9)
Dow Jones	46,253.3	(0.0)	8.7
Nasdaq CI	22,670.1	0.7	17.4
S&P 500	6,671.1	0.4	13.4
SX5E	5,605.0	1.0	14.5
FTSE 100	9,424.8	(0.3)	15.3
Nikkei 225	47,672.7	1.8	19.5
Shanghai CI	3,912.2	1.2	16.7
HSI	25,910.6	1.8	29.2
STI	4,368.4	0.3	15.3

Market Activities	Last Close	% Chg
Vol traded (m shares)	4,260.7	16.5
Value traded (RM m)	3,692.3	(2.6)
Gainers	724	
Losers	421	
Unchanged	479	

Top 5 Volume	Last Close	Daily chg %	Vol (m)
VEB	0.265	3.9	116.9
GENM	2.340	0.9	110.7
GENT	0.290	13.7	64.5
DNEX	3.400	13.0	72.3
TANC	0.865	0.6	61.7

Top 5 Turnover	Last Close	Daily chg %	Val (RM m)
GENM	2.340	0.9	258.0
GENT	3.400	13.0	239.0
IHH	8.070	0.2	153.1
CIMB	7.340	(0.1)	132.7
PBK	4.200	(0.2)	82.3

Currencies	Last Close	% Chg
USD/MYR	4.233	0.0
USD/JPY	150.970	0.1
EUR/USD	1.165	0.0
USD/CNY	7.127	0.1
US Dollar Index	98.793	(0.3)

Commodities	Last Close	% Chg
Brent (USD/barrel)	61.9	(0.8)
Gold (USD/troy oz)	4,212.7	0.1
CPO (MYR/metric t)	4,433.0	0.1
Bitcoin (USD/BTC)	111,309.5	0.1

Source: Bloomberg



Macro News

US: Fed rate cut optimism, safe-haven demand fuel gold's rally beyond US\$4,200

Gold extended its rally to breach US\$4,200-per-ounce for the first time on Wednesday on expectations of more US interest rate cuts, while broader economic and geopolitical uncertainty also led investors to buy the safe-haven metal. Spot gold was up 1.6% at US\$4,209.49 per ounce as of 0829 GMT, after touching a record high of US\$4,217.95 earlier in the session. US gold futures for December delivery gained 1.5% to US\$4,227.60. Gold has risen about 60% so far this year, fuelled by geopolitical and economic uncertainties, expectations of US rate cuts, strong central bank buying, a broader de-dollarisation trend and robust exchange-traded fund inflows. (*Reuters*)

US: Trump targets China cooking oil trade — but sales were already tanking

US President Donald Trump said he was considering terminating some trade ties with China, singling out cooking oil, which traders and analysts said would have little impact as such shipments had already plummeted from China over the past year. "I believe that China purposefully not buying our Soybeans, and causing difficulty for our Soybean Farmers, is an Economically Hostile Act. We are considering terminating business with China having to do with Cooking Oil, and other elements of Trade, as retribution," Trump wrote on social media on Tuesday. The US was China's top market for used cooking oil (UCO), importing a record 1.27 million metric tonnes worth US\$1.1 billion (RM4.6 billion) in 2024. But after China cut tax rebates late last year and the US imposed tariffs on Chinese goods this year, imports plunged 65% in January-August to 290,690 tonnes, or US\$286.7 million. (*Reuters*)

CN: Deflation eased in September but price declines linger

China's deflation eased in September, even as the pace of improvement is failing to halt the country's longest streak of economy-wide price declines since market reforms in the late 1970s. Prices at the factory gate fell 2.3% from a year earlier, the 36th straight month of declines that was in line with forecasts. Producer deflation moderated for a second month, though it remained unchanged at zero in month-on-month terms. Under pressure from falling food costs, consumer prices dropped 0.3%, the National Bureau of Statistics said Wednesday (Oct 15), below the median estimate of minus 0.2% in a *Bloomberg* survey of economists. The core consumer price index, which excludes volatile items such as food and energy, rose to an 19-month high of 1%. (*Bloomberg*)

MY: Health minister: Malaysia's medical device exports up 31% to RM37b in 2024

Malaysia's medical device industry continues to demonstrate remarkable growth and resilience, with exports surging by 31% in 2024 to reach RM37 billion. Health Minister Datuk Seri Dr Dzulkefly Ahmad said between 2021 and 2024, the sector attracted a total of RM20 billion in domestic and foreign investments, contributing approximately RM1.8 billion annually to the national gross domestic product (GDP), and created more than 130,000 high-skilled jobs. "Under the New Industrial Master Plan 2030 (NIMP 2030), the medical device sector is recognised as a strategic growth driver that enhances Malaysia's investment value, strengthens the local supply chain, and positions our nation as a world-class hub for medical technology and innovation," he said at the pre-launch of the International Medical Device Exhibition and Conference (IMDEC) 2026 and the MedTechPreneur 1.0 Programme here on Wednesday. (*Bernama*)

MY: NCER notches RM58.4b in investments, creates nearly 16,000 jobs as of September — Anwar

The Northern Corridor Economic Region (NCER) has realised investments amounting to RM58.39 billion and created nearly 16,000 job opportunities as of this September, said Prime Minister Datuk Seri Anwar Ibrahim. He said that during the same period, the Northern Corridor Implementation Authority (NCIA) also facilitated several high-impact investments. The NCIA also focused on developing the high-technology semiconductor industry through the APIRC @ NTIC programme and exploring the potential of high-impact tourism projects driven by private sector investments. (*Bernama*)

IN: Reopens carbon market to foreign buyers with new rules

Indonesia reopened its carbon credits market to foreign buyers, ending years of uncertainty that have curbed the sector's development. Credits produced by Indonesian projects can be sold to international buyers looking to voluntarily offset their emissions, according to a presidential decree signed Oct 10 and seen by *Bloomberg*. The offsets must be verified by accredited bodies using international standards and can contribute to Indonesia's own climate targets. The decree offers clarity for global investors after years of uncertainty that have hampered the development of Indonesia's carbon market. The Southeast Asian country — which has some of the world's largest rain forests — suspended sales of new credits to foreign buyers a few years ago to review their role in meeting its own climate goals. (*Bloomberg*)

ID: Palm oil imports hit four-month low as refiners favour cheaper soyoil

India's palm oil imports in September dropped to their lowest since May as refiners shifted to cheaper soyoil, shipments of which hit a more than three-year high, the Solvent Extractors' Association of India said on Wednesday. Lower palm oil imports by India, the world's largest buyer of vegetable oils, are expected to weigh on the benchmark Malaysian palm oil futures while supporting US soyoil futures. India's palm oil imports in September dropped 16.3% to 829,017 metric tonnes, marking their lowest point since May, the industry trade body said. (*Reuters*)



Corporate News

ADVCON: Clinches RM36.1m infra works job from Sime Darby Property

Advancecon Holdings Bhd has secured a RM36.1m contract from Sime Darby Property (Serenia City) Sdn Bhd for earthworks and related infrastructure works at Serenia City in Selangor. In a statement, the group said its wholly-owned unit, Advancecon Infra Sdn Bhd, has been appointed as contractor for the proposed construction and completion of earthworks and ancillary works for Phases SB2 and SB3 (Bayu Serenia), located within the Serenia City Stage 3 township in Dengkil, Sepang. The project is part of ongoing development works in Serenia City, a major township in the southern Klang Valley corridor master-planned by Sime Darby Property as the "Garden City of KLIA", featuring residential, commercial and industrial precincts with an emphasis on green design and connectivity. *(The Edge)*

NEXG: Foreign worker card supply contract extended; more directors resign

NexG Bhd, formerly known as Datasonic Group Bhd, has received an 18-month contract extension from the Immigration Department for the continued supply of foreign worker cards. According to bourse filings, the original contract, valued at RM140m, was awarded on Nov 1, 2022 for a duration of 36 months. The extension will take effect from Nov 1, 2025 to April 30, 2027. The extension is not subject to the sales and service tax, it added. Earlier this month, NexG secured a separate six-year contract worth RM732.7m from the Ministry of Home Affairs to supply Malaysia's national identity cards, including MyKad and MyTentera. That contract will commence on June 1, 2026 and run through May 31, 2032. *(The Edge)*

TXCD: Bursa reprimands, fines five former directors for late annual report, governance failures

Bursa Malaysia Securities Bhd has publicly reprimanded sand mining company TXCD Bhd, formerly Ageson Bhd, and five of its former directors for breaching listing rules due to the delayed issuance of its annual report. The five were also fined a total of RM134,200 for "permitting TXCD to commit the breach", Bursa said in a statement Wednesday. They are former executive directors Datuk Seri Liew Kok Leong and Datuk Seri Chin Kok Keong, as well as former independent and non-executive directors Lim Yit Kiong, Tajul Arifin Mohd Tahir, and Evelyn Lui Ming Foong. Bursa said TXCD, which is also involved in construction and property development, had failed to issue its annual report, including the audited financial statements, and the auditors' and directors' reports, for the 18-month financial period ended Dec 31, 2022, by the due date of April 30, 2023. The report was eventually released on Oct 31, 2023, following a six-month delay. *(The Edge)*

TMK: Unit secures distribution deal with Tata Chemicals for Vietnam market

TMK Chemical Bhd said its unit has entered into a distributor agreement with Tata Chemicals Soda Ash Partners LLC to distribute soda ash dense — an industrial chemical used in glass manufacturing and detergents — in bulk across Vietnam. The agreement, signed with Tata Chemical on Wednesday, appoints Chlor-Al Chemical Pte Ltd (CAL) and its unit TMK—Dai Hung Chemicals Co Ltd, as non-exclusive distributors of the product within the Vietnamese market. Under the terms of the deal, the distributors will earn profit solely from the resale of the product. *(The Edge)*

COASTAL: Secures RM12.8m liftboat charter contract

Coastal Contracts Bhd announced that its wholly owned subsidiary, Elite Point Pte Ltd, has secured a RM12.8m liftboat charter contract. The new 120-day charter follows the completion of a previous contract on Sept 29, after the charterer opted not to exercise a one-year extension. In a filing with Bursa Malaysia, Coastal Contracts said the latest agreement includes an optional extension period and is expected to contribute positively to the group's earnings and net assets for the financial year ending Dec 31, 2025 (FY2025) and FY2026. *(The Edge)*

CRESBLD: Clinches RM23.9m concrete work contract

Crest Builder Holdings Bhd has secured a RM23.9m contract from Quantum Quest Sdn Bhd for reinforced concrete works at a high-rise residential development along Jalan Tun Razak, Kuala Lumpur. The contract, awarded to its wholly-owned subsidiary Crest Builder Sdn Bhd, encompasses reinforced concrete construction up to Level 6 for three blocks of service apartments and a six-storey podium. The project is scheduled to run for nine months, commencing Nov 3, 2025, and concluding on Aug 3, 2026. Crest Builder said the contract is expected to contribute positively to the group's earnings and net tangible assets for the financial year ending Dec 31, 2025 (FY2025) and beyond. *(The Edge)*

GTRONIC: Plans one-for-two bonus warrants

Globetronics Technology Bhd has proposed a bonus issue of up to 368.5m warrants, offering one warrant for every two existing shares held. In a filing with Bursa Malaysia, the outsourced semiconductor assembly and test (OSAT) company said the entitlement date will be announced later, as the proposal still requires approvals from Bursa Securities, shareholders, and other relevant authorities. The warrants will be exercisable any time over three years from their issuance. For illustration, Globetronics assumed an exercise price of 17 sen per warrant — 47.56% lower than the five-day volume-weighted average price of 32.42 sen as of Sept 23. *(The Edge)*



Upcoming key economic data releases	Date
US Nonfarm Payrolls	Oct 17
US Unemployment Rate	Oct 17
Source: Bloomberg	

Stock Selection Based on Dividend Yield

	Sector	Price (RM)	Dividend/Share (RM)	Dividend Yield (%)
British American Tobacco (M)	Consumer	4.98	0.53	10.64
Taliworks Corporation	Utilities	0.53	0.05	9.43
REXIT	Technology	0.55	0.05	9.17
MBM Resources	Consumer	5.21	0.42	8.02
KIP REIT	REIT	0.88	0.07	7.89
Sentral REIT	REIT	0.78	0.06	7.87
Bermaz Auto	Consumer	0.66	0.05	7.48
CapitaLand Malaysia Trust	REIT	0.62	0.05	7.48
Ta Ann Holdings	Plantation	4.31	0.31	7.10
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	1.40	0.09	6.64
RHB Bank	Finance	6.74	0.45	6.62

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		
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
Insights Analytics Berhad	ACE Market	0.36	121.0	27.5	13 Oct	27 Oct
Powertechnic Group Berhad	ACE Market	0.35	63.0	21.0	14 Oct	28 Oct



Disclaimer & Disclosure of Conflict of Interest

The information contained in this report is based on data obtained from data and sources believed to be reliable at the time of issue of this report. However, the data and/or sources have not been independently verified and as such, no representation, express or implied, are made as to the accuracy, adequacy, completeness or reliability of the information or opinions in this report.

This report may contain forward-looking statements which are often but not always identified by the use of words such as "believe", "estimate", "intend" and "expect" and statements that an event or result "may", "will" or "might" occur or be achieved and other similar expressions. Such forward-looking statements are based on assumptions made and information currently available to Mercury Securities Sdn Bhd. ("Mercury Securities") and are subject to known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievement to be materially different from any future results, performance or achievement, expressed or implied by such forward-looking statements. Caution should be taken with respect to such statements and recipients of this report should not place undue reliance on any such forward-looking statements. Mercury Securities expressly disclaims any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or circumstances after the date of this publication or to reflect the occurrence of unanticipated events.

Accordingly, neither Mercury Securities nor any of its holding company, related companies, directors, employees, agents and/or associates nor person connected to it accept any liability whatsoever for any direct, indirect, or consequential losses (including loss of profits) or damages that may arise from the use or reliance on the information or opinions in this publication. Any information, opinions or recommendations contained herein are subject to change at any time without prior notice. Mercury Securities has no obligation to update its opinion or the information in this report.

This report does not have regard to the specific investment objectives, financial situation and particular needs of any specific person. Accordingly, investors are advised to make their own independent evaluation of the information contained in this report and seek advice from, amongst others, tax, accounting, financial planner, legal or other business professionals regarding the appropriateness of investing in any securities or the investment strategies discussed or recommended in this report. Nothing in this report constitutes investment, legal, accounting or tax advice or a representation that any investment or strategy is suitable or appropriate to your individual circumstances or otherwise represents a personal recommendation to you. This report is not intended, and should not under no circumstances be considered as an offer to sell or a solicitation of any offer or a solicitation or expression of views to influence any one to buy or sell the securities referred to herein or any related financial instruments.

Mercury Securities and its holding company, related companies, directors, employees, agents, associates and/or person connected with it may, from time to time, hold any positions in the securities and/or capital market products (including but not limited to shares, warrants and/or derivatives), trade or otherwise effect transactions for its own account or the account of its customers or be materially interested in any securities mentioned herein or any securities related thereto, and may further act as market maker or have assumed underwriting commitment or deal with such securities and provide advisory, investment, share margin facility or other services for or do business with any companies or entities mentioned in this report. In reviewing the report, investors should be aware that any or all of the foregoing among other things, may give rise to real or potential conflict of interests and should exercise their own judgement before making any investment decisions.

This research report is being supplied to you on a strictly confidential basis solely for your information and is made strictly on the basis that it will remain confidential. All materials presented in this report, unless specifically indicated otherwise, are under copyright to Mercury Securities. This research report and its contents may not be reproduced, stored in a retrieval system, redistributed, transmitted, or passed on, directly or indirectly, to any person or published in whole or in part, or altered in any way, for any purpose.

This report may provide the addresses of, or contain hyperlinks to websites. Mercury Securities takes no responsibility for the content contained therein. Such addresses or hyperlinks (including addresses or hyperlinks to Mercury Securities own website material) are provided solely for your convenience. The information and the content of the linked site do not in any way form part of this report. Accessing such website or following such link through the report or Mercury Securities' website shall be at your own risk.

This report is not directed to or intended for distribution or publication outside Malaysia. If you are outside Malaysia, you should have regard to the laws of the jurisdiction in which you are located.

The views expressed in this research report accurately reflect the analyst's personal views about any and all of the subject securities or issuers; and no part of the research analyst's compensation was, is or will be, directly or indirectly, related to the specific recommendations or views expressed in the report.

Published & Printed By:

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