



Daily Newswatch

Market Review

The FBM KLCI climbed 0.2% on Thursday, closing at 1,614.2 points, as investors' confidence grew following President Trump's bilateral meeting with President Xi, which suggested easing tensions in US-China trade relations. The best-performing sectors were plantation (+0.7%), consumer products & services (+0.4%), and utilities (+0.3%). Petronas Dagangan, 99 Speed Mart, and Nestle led the growth among the major index components, increasing by 1.7%, 1.3%, and 1.2%, respectively. However, market breadth was negative, with 607 losers outnumbering 393 gainers and 514 counters remaining unchanged.

Asian stock markets closed primarily in negative territory, as global shares were driven down by drops in US "mega-cap" tech firms Microsoft and Meta, while the US Dollars currency strengthened against the yen owing to policy revisions from Fed Reserve and BoJ. The Shanghai Composite fell -0.7% to 3,986.9, while the Nikkei 225 rose +0.04% to 51,325.6, the Hang Seng fell -0.2% to 26,282.7, and the TAIEX down -0.03% to 28,287.53. Health Care (-1.9%), Information Technology (-1.8%), and Real Estate (-1.1%) were the industries that led the decline in Shanghai, with Memsensing Microsystems, Optowide Technologies, and Beijing Navigation leading the reduction by -12.6%, -11.6, and -11.4%, respectively. Meanwhile, Utilities (+1.8%), Energy (+1.5%), and Financials (+1.2%) were the sectors driving growth in Japan.

The STOXX 50 and STOXX 600 closed 0.2% lower on Thursday as investors considered central bank policies, corporate earnings, and conflicting economic data. The ECB left interest rates steady (2.15%) for the third time in a row, citing a generally stable inflation forecast. On the data front, Eurozone GDP increased by 0.2% in Q3, above expectations, however performance across key economies was varied, with France and Spain showing significant growth while Germany and Italy stalled. Schneider Electric slumped 3.9% despite better Q3 revenues and reaffirming its 2025 projection, which calls for organic growth and margin improvements in the lower end of the range. ING rose 5.5% as its net earnings exceeded forecasts, while Airbus rose 2.5% after posting a strong third quarter and maintaining its 2025 guidance.

The S&P 500 sank 1% and the Nasdaq fell 1.4% on Thursday, driven down by losses in technology and communication services, while the Dow fell 0.3% after reversing early gains. Meta fell 11.3% after reporting a one-time tax charge of approximately 15.9bn US dollars and indicating materially higher capital spending related to AI, while investors also reduced Microsoft (-2.6%) after it disclosed a 3.1bn US dollar hit from its OpenAI investment and reiterated elevated AI spending. In contrast, financials and real estate were among the best-performing industries. JPMorgan (2.2%), Visa (1.9%), and Goldman Sachs (2.5%) were among the stocks that saw significant advances. Meanwhile, the meeting between Presidents Trump and Xi also failed to lift market sentiment as it provided little positive surprises.

Macro Snapshots

- **US:** Mortgage rates drop to 6.17%, falling for fourth week
- **US:** Gets rare earth reprieve from China, but not rollback
- **CN:** To buy 12 million metric tonnes of soybeans this season, Bessent says

Corporate Snapshots

- **EWICAP:** Commits RM276.5Mil to Australian prime office fund
- **PHARMA:** Buys two industrial buildings in Terengganu, Sarawak for RM30.5Mil
- **MUDAJYA:** Sells four llok plots for RM36.8m to strengthen cash position

Key Indices	Last Close	Daily chg %	YTD chg %
FBM KLCI	1,614.2	0.2	(1.7)
Dow Jones	47,522.1	(0.2)	11.7
Nasdaq CI	23,581.1	(1.6)	22.1
S&P 500	6,822.3	(1.0)	16.0
SX5E	5,699.2	(0.1)	16.4
FTSE 100	9,760.1	0.0	19.4
Nikkei 225	51,325.6	0.0	28.7
Shanghai CI	3,986.9	(0.7)	18.9
HSI	26,282.7	(0.2)	31.0
STI	4,437.4	(0.1)	17.2

Market Activities	Last Close	% Chg
Vol traded (m shares)	3,461.4	27.0
Value traded (RM m)	2,620.2	10.4
Gainers	393	
Losers	607	
Unchanged	514	

Top 5 Volume	Last Close	Daily chg %	Vol (m)
BORNO	0.005	0.0	85.1
ZETRIX	0.815	0.0	73.6
PERAK	0.365	(5.2)	71.9
TANC	0.930	0.5	50.8
TWL	0.025	0.0	47.7

Top 5 Turnover	Last Close	Daily chg %	Val (RM m)
MAY	9.890	0.2	131.6
PMAH	6.280	0.3	108.1
RHBBANK	6.820	0.4	89.8
CIMB	7.310	(0.9)	83.5
SDG	5.320	0.6	78.7

Currencies	Last Close	% Chg
USD/MYR	4.196	(0.2)
USD/JPY	154.060	0.0
EUR/USD	1.157	0.0
USD/CNY	7.110	(0.2)
US Dollar Index	99.514	0.3

Commodities	Last Close	% Chg
Brent (USD/barrel)	65.0	0.1
Gold (USD/troy oz)	4,021.4	(0.1)
CPO (MYR/metric t)	4,251.0	0.8
Bitcoin (USD/BTC)	107,750.0	0.2

Source: Bloomberg



Macro News

US: Mortgage rates drop to 6.17%, falling for fourth week

Mortgage rates in the US fell for a fourth week, inching closer to 6% even as economic uncertainty is keeping buyers pinned to the sidelines. The average for 30-year, fixed loans was 6.17%, down from 6.19% last week and still the lowest level since early October 2024, data from Freddie Mac show. Rates fell following the Federal Reserve's widely-anticipated quarter-point reduction on Wednesday. Chairman Jerome Powell also cautioned investors not to expect more cuts this year. The drop in borrowing costs, along with a surging stock market, would typically predict a surge in demand, and economists had expected to see a slight increase in pending sales of existing homes last month. *(Bloomberg)*

US: Trump shaves China tariffs in deal with Xi on fentanyl, rare earths

US President Donald Trump said on Thursday he had agreed with President Xi Jinping to trim tariffs on China in exchange for Beijing cracking down on the illicit fentanyl trade, resuming US soybean purchases and keeping rare earths exports flowing. Trump's face-to-face talks with Xi in the South Korean city of Busan, their first since 2019, marked the finale of a whirlwind Asia trip on which he also touted trade breakthroughs with South Korea, Japan and Southeast Asian nations. "It was an amazing meeting," Trump told reporters aboard Air Force One shortly after he left South Korea, ranking the talks a "12 out of 10". Trump said tariffs on Chinese imports would be cut to 47% from 57%, by halving to 10% the rate of tariffs related to trade in fentanyl precursor drugs. Xi will work "very hard to stop the flow" of fentanyl, a deadly synthetic opioid that is the leading cause of American overdose deaths, Trump said. *(Reuters)*

US: Gets rare earth reprieve from China, but not rollback

China has agreed to delay the introduction of its latest round of rare earth export controls as part of a deal agreed between Presidents Donald Trump and Xi Jinping, but earlier restrictions on the critical minerals that have upended global trade remain. Rare earths, 17 elements which play tiny but vital roles in cars, planes and weapons, have emerged from obscurity to become China's most potent source of negotiating leverage thanks to export restrictions introduced this year which allow Beijing to cut off foreign customers dependent on Chinese supply. Trump and Xi met in South Korea for a nearly two-hour summit on Thursday, after which the US president said China had agreed to keep rare earth exports flowing and the issue was "settled". *(Reuters)*

CN: Stocks fall as Trump-Xi trade deal yields few surprises

Chinese shares pulled back from a decade high on Thursday as US President Donald Trump and Chinese President Xi Jinping concluded their high-stakes meeting in South Korea that has fuelled cautious optimism for a potential trade-war truce. Investors appeared heartened by signs of cooling tensions between the world's top two economies after recent escalations, while also positioning defensively with a sense of déjà vu that the real deal may offer far less to celebrate. Previous trade negotiations have seen promising starts followed by setbacks. After a near two-hour meeting with Xi, Trump said he had struck a deal to trim tariffs on China in exchange for Beijing resuming US soybean purchases, keeping rare earths exports flowing and cracking down on the illicit trade of fentanyl. *(Reuters)*

CN: To buy 12 million metric tonnes of soybeans this season, Bessent says

US Treasury Secretary Scott Bessent said on Thursday that China has agreed to buy 12Mil metric tonnes of American soybeans during the current season through January and has committed to buying 25Mil tonnes annually for the next three years as part of a larger trade agreement with Beijing. Bessent said other countries in Southeast Asia have agreed to buy another 19Mil tonnes of US soybeans, but did not specify a timeframe for those purchases. "So our great soybean farmers, who the Chinese used as political pawns — that's off the table, and they should prosper in the years to come," Bessent told Fox Business Network. Soy bean futures on the Chicago Board of Trade were about 1% higher in early US trading on Thursday after Bessent's interview with Mornings with Maria. In 2024, the US exported nearly 27 million metric tonnes of soybeans to China. *(Reuters)*

MY: Urges Apec economies to translate Putrajaya Vision 2040 into targeted, practical cooperation

Asia-Pacific Economic Cooperation (Apec) economies have been urged to translate the Putrajaya Vision 2040 into targeted and practical cooperation that reflects shared goals and different levels of readiness, especially in addressing the digital divide and transformation. Speaking at the Apec Ministerial Meeting (AMM) here, Foreign Minister Datuk Seri Mohamad Hasan said Apec, which comprises 21 economies, must first accelerate green digitalisation by creating energy-efficient digital infrastructure aligned with net-zero ambitions and climate resilience. "Secondly, we need to cut down on inconsistent regulation and high compliance costs. Apec should develop basic AI guidelines, with transparency checklists and self-assessment tools, to encourage responsible and ethical use of AI. *(Bernama)*

MY: World Bank urges Malaysia to expand social pension as current schemes cover only small group of senior citizens

The World Bank urged Malaysia to significantly expand its social pension coverage, warning that current schemes reach only a small share of the country's rapidly ageing population. Only about 4% of senior citizens currently benefit from the government's Bantuan Warga Emas scheme, which is among the lowest globally, according to the World Bank's "Should Malaysia Expand Its Social Pension? Global Evidence, Design Issues and Options" paper released on Wednesday. *(The Edge)*



Corporate News

KUB: Names Megat Joha chairman after Norliza's retirement

KUB Malaysia Bhd has redesignated its non-independent non-executive director Megat Joha Megat Abdul Rahman as chairman, following the retirement of Datuk Seri Norliza Abdul Rahim. The change took effect on Oct 30, according to separate bourse filings by the diversified group. Megat Joha, 62, is currently chairman of CI Holdings Bhd and a director of Marine & General Bhd. He previously also served as group managing director of CI Holdings from 2015 to 2023 and chairman of Central Cables Bhd between 2013 and 2023. His earlier career includes senior roles at Boustead Sissons Paints Sdn Bhd, Majuperak Holdings Bhd, Maybank Securities Sdn Bhd and Bursa Malaysia's predecessor, the Kuala Lumpur Stock Exchange. (*The Edge*)

EWICAP: Commits RM276.5Mil to Australian prime office fund

EWI Capital Bhd, formerly Eco World International Bhd, is pivoting its business to investment holding with a A\$100Mil (RM276.5Mil) commitment to a fund investing in prime Australian office buildings. The property developer has agreed to become an anchor investor in TrustCapital Australian Office Fund No 3. The fund is managed by Singapore-based TrustCapital Advisors Investment Management Pte Ltd, which has a strong track record in the acquisition, management and divestment of Australian office assets, said EWI Capital in a statement. The investment will be financed using a combination of internal funds and borrowings. (*The Edge*)

PHARMA: Buys two industrial buildings in Terengganu, Sarawak for RM30.5Mil

Pharmaniaga Bhd is acquiring two industrial buildings in Terengganu and Sarawak for a total of RM30.5Mil. In two separate bourse filings on Thursday, the pharmaceutical group said the purchases will be funded by proceeds raised through its regularisation plan, which is part of the group's strategy to strengthen its logistics infrastructure and expand distribution capacity across the east coast of Peninsular Malaysia as well as Sabah and Sarawak. For the industry building in Terengganu, Pharmaniaga said its wholly-owned unit Pharmaniaga Logistics Sdn Bhd is buying a single-storey detached building in the Gong Badak Industrial Area, Kuala Nerus, Terengganu from Sinoria Sdn Bhd for RM19.5Mil. (*The Edge*)

MUDAJYA: Sells four Ijok plots for RM36.8Mil to strengthen cash position

Mudajaya Group Bhd is disposing of four parcels of freehold land in Ijok, Selangor, for RM36.8Mil as part of its efforts to monetise non-core assets and strengthen its cash position. The group expects to record a disposal gain of RM24.1Mil for the financial year ending Dec 31, 2025 (FY2025), with completion targeted for the first quarter of 2026. Proceeds will be used mainly for working capital and other operational needs, its bourse filing on Thursday showed. Mudajaya's subsidiary Mudajaya Corporation Bhd inked a sale and purchase agreement with Serba Wangi (KL) Sdn Bhd on Thursday for the disposal of the four lots, with a combined area of about eight hectares. They are located along Bukit Badong Road in Ijok. (*The Edge*)

KNM: Shareholders vote to adjourn controversial meeting to after delisting

KNM Group Bhd, under fire from Bursa Malaysia for breaching listing rules, has received shareholder approval to adjourn its extraordinary general meeting (EGM) on the sale of its German unit until after its delisting on Nov 5, 2025. The Practice Note 17 (PN17) company said no new notice is required for the EGM, which will now be held on Nov 6, as the meeting will resume within 30 days with the same agenda and resolutions. Bursa had filed a court case against KNM's major shareholder MAA Group Bhd, CIMSEC Nominees (Tempatan) Sdn Bhd, KNM, and its unit KNM Process Systems Sdn Bhd to stop them from violating listing rules and to block discussion or voting on the Deutsche KNM GmbH (DKNM) sale resolution at the Oct 30 EGM. The regulator also sought to invalidate any resolution passed without compliance and to order the meeting's chairman to adjourn if the court had not yet ruled. (*The Edge*)

AWC: Clinches RM99Mil contract from TM for integrated facilities management services

Engineering and facilities management firm AWC Bhd said on Thursday its wholly owned subsidiary Ambang Wira Sdn Bhd has secured a RM99.1Mil contract from TM Technology Services Sdn Bhd, a unit of Telekom Malaysia Bhd. The contract is for the provision of integrated facilities management services for TM's data centres and buildings at TM Central 1. The contract, which covers operations, maintenance and support services, runs for five years from Nov 1, 2025 to Oct 31, 2030, according to the group's filing on Bursa Malaysia. (*The Edge*)

CAPITALA: Expects PN17 exit in December

Capital A Bhd chief executive officer Tan Sri Tony Fernandes told a press conference that he expects the group to exit Practice Note 17 (PN17) status in December, as its airline consolidation under AirAsia X Bhd moves forward. Capital A said all conditions for its aviation restructuring have been met or waived as of Wednesday, allowing it to proceed to the final steps of its regularisation plan, as well as its capital reduction and distribution. The group is targeting to make its PN17 upliftment application in December, Fernandes said. "We target PN17 exit by Dec 31," he said. (*The Edge*)



Stock Selection Based on Dividend Yield

	Sector	Price (RM)	Dividend/Share (RM)	Dividend Yield (%)
REXIT	Technology	0.53	0.05	9.43
Taliworks Corporation	Utilities	0.53	0.05	9.43
British American Tobacco (M)	Consumer	5.64	0.53	9.40
MBM Resources	Consumer	5.28	0.42	7.92
Sentral REIT	REIT	0.78	0.06	7.87
KIP REIT	REIT	0.88	0.07	7.73
Bermaz Auto	Consumer	0.65	0.05	7.54
CapitaLand Malaysia Trust	REIT	0.63	0.05	7.36
Ta Ann Holdings	Plantation	4.22	0.31	7.25
Paramount Corporation	Property	1.05	0.07	7.14
MAG Holdings	Consumer	1.39	0.09	6.83
Magnum	Consumer	1.39	0.09	6.83
Sports Toto	Consumer	1.39	0.09	6.69
YTL Hospital REIT	REIT	1.11	0.07	6.67
Kim Loong Resources	Plantation	2.31	0.15	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		
Farmiera Berhad	ACE Market	0.25	117.0	0.0	30 Oct	12 Nov
PMW International Berhad	ACE Market	0.34	178.4	89.2	06 Nov	18 Nov



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