MERCURY SECURITIES SDN BHD
(A Participating Organisation of Bursa Malaysia Securities Bhd.)

Research Team
research@mersec.com.my

Daily Newswatch

Market Review

The FBM KLCI slipped 0.3% on Friday to close at 1,607.7 points, tracking declines in Hong Kong and China amid weaker Wall Street sentiment following disappointing Big Tech earnings. Construction (-0.95%), Health Care (-0.8%) and Financial Services (-0.4%) were the worst-performing sectors. Among major constituents, PPB Group (-0.4%), Kuala Lumpur Kepong (-1.8%) and Axiata Group (-1.6%) led the losses. Market breadth was negative, with 563 losers outpacing 470 gainers, while 510 counters were unchanged.

Asian stock markets closed mainly in negative territory, as earlier weakness in US Big Tech and cautious sentiment on Wall Street weighed on risk appetite across the region. The Shanghai Composite dropped 0.8% to 3,954.8, the Hang Seng Index fell 1.4% to 25,906.7, and the TAIEX declined 0.2% to 28,233.4. Meanwhile, the Nikkei 225 rose 2.1% to 52,411.3. In Shanghai, the worst-performing sectors included Information Technology (-2.8%), Utilities (-1.6%) and Financials (-1.0%). Within those sectors, stocks such as Shanghai Gentech (-14.3%), Beijing Roborock (-12.0%) and Wuxi Taclink (-11.4%) led the declines. Conversely, in Japan the advance was driven by gains in Utilities (+4.7%), Communication Services (+3.7%) and Information Technology (+3.0%).

The STOXX 50 fell 0.7% and the STOXX 600 dropped 0.5% on the final trading day of October, as weak earnings dampened optimism over Europe's growth outlook. Linde slipped 2% on softer revenues, while AXA lost 4.5% despite maintaining its annual targets. Saint-Gobain fell 3.6% after a 0.2% drop in Q3 revenue, and Telefonica declined 2% on news of a possible dividend cut. ASML, Deutsche Telekom, and Allianz were also down about 2%. Meanwhile, Danske Bank rose 3% after better-than-expected profits, and Anheuser-Busch and Vivendi gained over 2% each. For October, the STOXX 50 and STOXX 600 advanced 2.6% and 2.8%, respectively, as ECB policy path remained broadly unchanged after Eurozone inflation loosely met expectations.

The Nasdaq rose 0.7% and the S&P 500 gained 0.3% on Friday, driven by a 10.8% jump in Amazon shares after stronger-than-expected cloud revenue growth. The Dow added 60 points. Tech sentiment was further lifted by gains in Palantir (+3.0%), Oracle (+2.8%), Nvidia (+2.9% on a 10-for-1 stock split), and Tesla (+3.1%). Energy stocks were mixed, with Chevron up 1.9% on robust earnings while Exxon Mobil fell 1.5% on weaker profits. Meta declined 2.7% and has lost nearly 15% since announcing higher 2026 Capex, while AbbVie slid 4.5% on drug pricing concerns. For October, major indexes posted solid gains, led by the Nasdaq's 4.9% rise as AI-driven momentum, supported the "Magnificent Seven".

Macro Snapshots

- **US**: Trump says Canada trade talks won't resume, contradicting Wright
- **US**: Fed hawks blast rate cut, say US inflation is too high
- **CN**: Tariff probe to stay despite Trump-Xi deal, Greer says
- **MY:** Malaysia remains committed to strengthening strategic ties with US

Corporate Snapshots

- **PARKSON:** Subsidiary terminates tenancy agreement for property in China
- **YTLPOWR:** First Nvidia-powered AI data centre in Johor, now operational
- **MEGAFB:** OCBC, affiliate sell entire stake in Mega Fortris
- **SCIB:** Gets new revised RM172.4m contract for PR1MA housing in Kelantan

Key Indices	Last Close	Daily chg %	YTD chg %
FBM KLCI	1,609.2	(0.3)	(2.0)
Dow Jones	47,562.9	0.1	11.8
Nasdaq CI	23,725.0	0.6	22.9
S&P 500	6,840.2	0.3	16.3
SX5E	5,662.0	(0.7)	15.6
FTSE 100	9,717.3	(0.4)	18.9
Nikkei 225	52,411.3	2.1	31.4
Shanghai CI	3,954.8	(0.8)	18.0
HSI	25,906.7	(1.4)	29.1
STI	4,428.6	(0.2)	16.9

Market Activities	Last Close	% Chg
Vol traded (m shares)	3,545.5	2.4
Value traded (RM m)	2,676.0	2.1
Gainers	470	
Losers	563	
Unchanged	510	

Top 5 Volume	Last Close	Daily chg %	Vol (m)
PERAK	0.340	(6.2)	88.0
DNEX	0.305	8.9	74.6
EKO	0.335	(4.3)	74.5
ZETRIX	0.845	3.7	73.6
TANC	0.935	0.5	64.3

Top 5 Turnover	Last Close	Daily chg %	Val (RM m)
PMAH	6.330	0.8	119.5
IHH	8.250	0.6	84.8
CIMB	7.300	(0.1)	89.6
MAY	9.870	(0.2)	78.6
GAM	5.040	(0.8)	74.4

Currencies	Last Close	% Chg
USD/MYR	4.190	0.2
USD/JPY	153.990	0.1
EUR/USD	1.154	(0.2)
USD/CNY	7.120	(0.1)
US Dollar Index	99.804	0.3

Commodities	Last Close	% Chg
Brent (USD/barrel)	64.8	0.6
Gold (USD/troy oz)	4,002.9	(0.5)
CPO (MYR/metric t)	4,185.0	(0.8)
Bitcoin (USD/BTC)	110,036.9	0.6

Source: Bloomberg

Macro News

US: Trump says Canada trade talks won't resume, contradicting Wright

US President Donald Trump said he received an apology from Canadian Prime Minister Mark Carney over a television ad that opposed tariffs, but suggested that trade talks between the two countries won't restart. Asked by reporters aboard Air Force One whether negotiations between the White House and Carney's government would resume, Trump said: "No, but I have a very good relationship. I like him a lot, but you know, what they did was wrong. He was very nice. He apologised for what they did with the commercial." Earlier on Friday, US Energy Secretary Chris Wright said the goal is for the US and Canada to return to the table after talks broke off last week, and for the countries to cooperate more closely on oil, gas and critical minerals. (*Bloomberg*)

US: Fed hawks blast rate cut, say US inflation is too high

Two regional Federal Reserve bank presidents on Friday aired their disagreement with the US central bank's decision to cut interest rates this week, saying the labour market doesn't need the support and inflation is too high to warrant such a move. The strikingly frank remarks — from Dallas Fed president Lorie Logan and Kansas City Fed president Jeffrey Schmid — underscore discomfort within the central bank over the direction of policy and suggest a rising bar for another rate cut at its Dec 9-10 meeting, unless something changes dramatically in the economy. "I did not see a need to cut rates this week," Logan told a Dallas Fed banking conference. "And I'd find it difficult to cut rates again in December unless there is clear evidence that inflation will fall faster than expected or that the labour market will cool more rapidly." (*Reuters*)

CN: China's Xi holds court at Apec summit after Trump trade truce

South Korea played host but all eyes were on China's Xi Jinping at an annual gathering of Pacific Rim leaders on Friday, where he met his Canadian, Japanese and Thai counterparts after securing a fragile trade truce with US President Donald Trump. That agreement, struck just before Trump left South Korea, skipping the main two-day Asia-Pacific Economic Cooperation (Apec) summit, cooled spiralling tensions between the world's two largest economies that jolted global commerce. With Trump hosting the White House's annual Halloween party back in Washington, Xi sought to cast China as the predictable champion of free and open trade at the forum, a role the US has dominated for decades. (*Reuters*)

CN: Nvidia CEO hopes Blackwell chips can be sold in China but says decision up to Trump

Nvidia CEO Jensen Huang said on Friday he hoped the company's state-of-the-art Blackwell chips can be sold in China, although the decision needed to be made by US President Donald Trump. Speaking during his first official visit to South Korea in more than a decade, a day after Trump and Chinese leader Xi Jinping held talks there, Huang said he was delighted by the success of the meeting between the two presidents, but was not aware of what they spoke about. After the talks on Thursday, Trump told reporters aboard Air Force One that semiconductors had been discussed and China was "going to be talking to Nvidia and others about taking chips". But Trump added: "We're not talking about the Blackwell." (*Reuters*)

CN: Tariff probe to stay despite Trump-Xi deal, Greer says

The US will proceed with an investigation that opens the door to new tariffs on goods from China, despite the two nations' fresh truce, President Donald Trump's top trade negotiator said. US Trade Representative Jamieson Greer last Friday opened a probe into China's compliance with a limited trade agreement reached during Trump's first term. That move was seen as potential leverage for the US president in his meeting with his Chinese counterpart, Xi Jinping. While the leaders agreed to suspend plans for higher tariffs and stricter export controls during their summit, the investigation is still moving forward, Greer said on Thursday when asked about it during a *Fox Business* interview. "You are correct to assume that," Greer told host Larry Kudlow, a former Trump economic adviser. "We didn't solve every problem in the US-China relationship today." (*Bloomberg*)

CN: Needs 4.17% annual GDP growth to meet 2035 goal, publication shows

China is confident it will achieve an annual average growth rate of 4.2% over the next decade, the level needed for it to become a medium-level developed country in terms of GDP per capita by 2035, said an official book outlining proposals for the next five-year plan. "Based on the goal of China's per capita gross domestic product reaching more than US$20,000 (RM83,840) by 2035 ... and considering that the total population is expected to decrease by about 0.2% annually by 2035, China's GDP needs to grow at an average annual rate of 4.2%," during the next 10 years, the book said. China was "fully qualified" to reach that level of growth given its technological progress and institutional innovation, it added. (*Reuters*)

Research Team
research@mersec.com.my

MY: Private sector loan growth picks up pace in September

Private sector credit growth in Malaysia continued to pick up pace in September, underpinned by higher corporate bond issuances and steady business lending. Year on year, credit to the private non-financial sector expanded 5.9% in September, according to data from Bank Negara Malaysia (BNM) released on Friday, faster than August's 5.6% increase. Corporate bonds growth accelerated to 7.3% from 5.6% a month earlier. Outstanding business loans rose 5.4%, driven by increased demand for investment-related financing, particularly from large enterprises. Meanwhile, household loan growth moderated slightly to 5.7% from 5.9% in August amid slower growth in personal use loans. (*The Edge*)

MY: Malaysia remains committed to strengthening strategic ties with US

Malaysia will continue to strengthen its strategic ties with the United States on the principles of openness, equitability and mutual respect, to ensure regional and global stability, prosperity and peace, said Prime Minister Datuk Seri Anwar Ibrahim. In a statement after his bilateral meeting with US Treasury Secretary Scott Bessent here, Anwar said Bessent expressed his appreciation to Malaysia for the warm hospitality extended to President Donald Trump and the US delegation during their recent visit to Kuala Lumpur. “Our meeting today continued the positive momentum of the close ties forged during the 47th Asean Summit, and it provided an opportunity to discuss various aspects of trade and financial relations between Malaysia and the US. (*Bernama*)

Corporate News

PARKSON: Parkson subsidiary terminates tenancy agreement for property in China

Parkson Holdings Bhd (PHB) said its 54.97%-owned subsidiary, Parkson Retail Group Ltd (PRGL), has terminated a tenancy agreement involving a property in Guiyang City, Guizhou Province, China. In a filing with Bursa Malaysia, PHB said PRGL made the announcement to The Stock Exchange of Hong Kong Ltd (HKEX) relating to the termination of the tenancy agreement dated March 29, 2024, covering Basement Level 1 and Levels 1 to 4 at the Longgang International Center, Guiyang City. The termination, effective Nov 30, 2025, was agreed between Guizhou Shenqi Parkson Retail Development Co Ltd (sub-tenant), an indirect non-wholly owned subsidiary of PRGL, and Guizhou Longgang Commercial Operation Management Co Ltd (tenant A) and Guizhou Yuncui Property Management Co Ltd (tenant B). (*Bernama*)

YTLPOWR: Completes first Nvidia-powered AI data centre in Johor, YTL AI Cloud now operational

Malaysia's first Nvidia-powered AI data centre in Johor, developed by YTL Power International Bhd in partnership with tech giant Nvidia Corp, is now operational. YTL Power announced the completion of its AI data centre, powered by Nvidia's latest liquid-cooled NVL72 Grace Blackwell (GB 200) GPUs, in a statement. The announcement followed a meeting between Prime Minister Datuk Seri Anwar Ibrahim, Nvidia founder and chief executive officer Jensen Huang and YTL Power managing director Datuk Seri Yeoh Seok Hong on Friday during the Apec Leaders' Economic Summit 2025 held in Gyeongju, South Korea. Investment, Trade, and Industry Minister Tengku Datuk Seri Zafrul Abdul Aziz was also in attendance. (*The Edge*)

MEGAFB: OCBC, affiliate sell entire stake in Mega Fortris to new strategic investor

Oversea-Chinese Banking Corp Ltd, Singapore' second-largest banking group also known as OCBC, has sold off its entire indirect stake in Mega Fortris Bhd. OCBC and its affiliate Lion OCBC Capital Asia I Holdings Pte Ltd sold their combined 25.99% stake in Mega Fortris Global Pte Ltd, the holding company of Mega Fortris, to ProWealth Management Holding Ltd. A sale and purchase agreement signed on Oct 2 was completed on Oct 30. An investment holding company incorporated in the British Virgin Islands, ProWealth Management is coming in as a strategic investor, according to a statement from Mega Fortris. (*The Edge*)

CIMB: Issues its first ever panda bond, achieves lowest coupon among Asean issuers

CIMB Group Holdings Bhd said on Friday it has issued its first ever renminbi-denominated bonds in China on the back of robust demand from investors. The three-year "panda bond" raised three billion yuan (RM1.8bn) and was priced to carry a fixed coupon rate of 2.2%, the second-largest Malaysian bank said in a statement. Orders from institutional investors exceeded available demand by 1.6bn yuan, CIMB Group said. "We are pleased to see strong demand from investors for our issuance," said chief executive officer Novan Amirudin. "It reflects the confidence in CIMB's diversified Asean franchise and financial strength." The bond was the largest single-tranche issuance in China's Interbank Bond Market by a Malaysian firm to date. The coupon rate was also the lowest on record secured by an Asean issuer. (*The Edge*)

SCIB: Gets new revised RM172.4m contract for PR1MA housing in Kelantan

Sarawak Consolidated Industries Bhd said it has accepted a second revised contract worth RM172.4m to build affordable housing in Kota Bharu, Kelantan. In a filing with Bursa Malaysia, the construction and precast concrete firm said its unit had accepted the revised Letter of Award from Perbadanan PR1MA Malaysia (PR1MA) for the project. SCIB first secured the contract in May 2021 to build 632 residential units for RM120m. The value of the job was revised in April 2024, when SCIB announced that it had received a revised contract for the project, with the value rising to RM162m. Under that revision, SCIB was required to complete the works within 36 months, and provide a 24-month defect liability upon the issuance of a certificate of completion and compliance for each section. (*The Edge*)

ENPRO: Bags onshore pipeline maintenance contract from Petronas Carigali

Enproserve Group Bhd has secured an onshore pipeline maintenance services contract from Petronas Carigali Sdn Bhd. The mechanical and civil engineering firm will provide maintenance services for onshore pipeline sections for Petronas Carigali facilities in the east coast region of Peninsular Malaysia for two years, Enproserve said in a statement Friday. The job scope includes the provision of preventive and corrective measures, emergency repair, civil works, onshore coating services and maintenance of cathodic protection system. No contract value was disclosed as it will be based on work orders issued by Petronas Carigali throughout its duration. *(The Edge)*

NEXG: Former executive deputy chairman Mohd Khairul Adib ups stake by 4.3%

NexG Bhd's former executive deputy chairman Tan Sri Mohd Khairul Adib Abd Rahman has upped his stake in the company at a premium, formerly known as Datasonic Group Bhd, by 4.3%. Mohd Khairul Adib, who stepped down from his board post earlier this month, saw his stake in the group rise to 16.96% after his vehicle, Skyelimit Alliance Sdn Bhd, acquired an additional 4.3% or 150.3m shares on Friday via a direct business transaction, according to a bourse filing. The consideration was not disclosed in the filing, but *Bloomberg* off-market data showed a 150.3m block of NexG shares was transacted on Friday at 40 sen, or a total RM60.1m. At Friday's closing price of 38 sen, the 40 sen per share price tag was a 5.3% premium. *(The Edge)*

Research Team
research@mersec.com.my

Upcoming key economic data releases	Date
US S&P Global Manufacturing PMI	Nov 3
US ISM Manufacturing PMI	Nov 3
US ISM Manufacturing Prices	Nov 3
US JOLTS Job Openings	Nov 4
US ADP Nonfarm Employment Change	Nov 5
US ISM Non-manufacturing PMI	Nov 5
US ISM Non-manufacturing Prices	Nov 5
US S&P Global Services PMI	Nov 5
US Crude Oil Inventories	Nov 5
Source: Bloomberg	

Stock Selection Based on Dividend Yield

	Sector	Price (RM)	Dividend/Share (RM)	Dividend Yield (%)
REXIT	Technology	0.54	0.05	9.35
Taliworks Corporation	Utilities	0.54	0.05	9.35
British American Tobacco (M)	Consumer	4.60	0.41	9.02
MBM Resources	Consumer	5.26	0.42	7.95
Sentral REIT	REIT	0.78	0.06	7.87
KIP REIT	REIT	0.88	0.07	7.73
CapitaLand Malaysia Trust	REIT	0.63	0.05	7.36
Bermaz Auto	Consumer	0.67	0.05	7.31
Ta Ann Holdings	Plantation	4.20	0.31	7.29
Paramount Corporation	Property	1.06	0.08	7.08
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	1.12	0.07	6.61
RHB Bank	Finance	6.77	0.45	6.60

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.

Research Team
research@mersec.com.my

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

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