



Daily Newswatch

Market Review

The FBM KLCI slipped 0.7% to close at 1,731 points on Thursday amid global market sentiment surrounding AI tech valuations. The broader market was bearish, as Technology (-3.8%), Energy (-2.0%), Health Care (-1.9%) dragged down the local bourse. Among index constituents, YTL Power (-4.4%), Axiata Group (-4.1%) and Gamuda (-2.9%) emerged as top losers. Overall market breadth remains bearish, as losers outweighed gainers 913 to 278, with 482 counters remain unchanged.

Major Asian markets broke their winning streaks on Thursday, as renewed global tech sell-off spilled over following overnight losses in Wall Street. The Shanghai Composite erased 0.6% to 4,076 points, Taiwan's TAIEX slumped by 1.5% to 31,801 points, and South Korea's KOSPI dropped 3.9% from its all-time high in the previous session to 5,164 points. Meanwhile, the Hang Seng Index inched 0.1% higher to close at 26,885 points. Materials (-2.9%), Information Technology (-1.6%) and Industrials (-1.4%) weighed down the mainland markets, as Eoptolink Technology (-4.1%), BlueFocus Intelligent (-5.8%), Suzhou TFC Optical (-5.5%) emerged among the top decliners. In South Korea, Electronic Technology (-5.8%), Producer Manufacturing (-4.0%) and Process Industries (-3.5%) dragged the KOSPI, as semiconductor heavyweights Samsung Electronics and SK hynix plunged 5.9% and 6.8% respectively.

European markets closed sharply lower on Thursday, weighed by a slew of bad earnings, hawkish comments from the ECB, and the impact of a deteriorating US labor market. The Eurozone's STOXX 50 sank 0.7% to 5,976, while the European STOXX 600 slid 1.1% to 612. The ECB kept interest rates constant, as predicted during the session, but President Lagarde downplayed recent data on weaker inflation and fears about a stronger euro, reducing bets on upcoming cuts this year. In contrast, the BoE kept interest rates unchanged, while several MPC members voted to decrease them.

Wall Street widened its losing streak as the S&P 500 sank 1.2% and the Nasdaq CI plummeted 1.6% on Thursday as a tech-led slump entered its third session, while the Dow also fell 1.2%, with consumer discretionary and communication services among the worst performers as investors reduced exposure to crowded big cap positions. Semiconductor stocks were also under pressure, with Qualcomm falling 8.4% on a cautious outlook due to lower memory demand and inventory constraints, compounding losses throughout the chip complex. The risk-off tone was bolstered by macro data showing weekly initial unemployment claims climbing to 231K in the week ending January 31, and corporate layoff announcements rising to 108K in January, the biggest January total since 2009, indicating weakening labor conditions.

Macro Snapshots

- **US:** Job openings drop to lowest since 2020, layoffs edge up
- **CN:** To pause Panama deals after ports operation nulled
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- **BJFOOD:** 2Q loss narrows on improved margins, absence of impairments
- **KEYFIELD:** Signs RM70.7m shipbuilding contract with Chinese firm
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- **HAILY:** Clinches RM48m double-storey housing contract in Skudai

Key Indices	Last Close	Daily chg %	YTD chg %
FBM KLCI	1,731.0	(0.7)	3.0
Dow Jones	48,908.7	(1.2)	1.8
Nasdaq CI	22,540.6	(1.6)	(3.0)
S&P 500	6,798.4	(1.2)	(0.7)
SX5E	5,925.7	(0.7)	2.3
FTSE 100	10,309.2	(0.9)	3.8
Nikkei 225	53,339.9	(0.9)	6.0
Shanghai CI	4,075.9	(0.6)	2.7
HSI	26,885.2	0.1	4.9
STI	4,975.9	0.2	7.1

Market Activities	Last Close	% Chg
Vol traded (m shares)	3,833.5	47.8
Value traded (RM m)	3,663.2	28.1
Gainers	278	
Losers	913	
Unchanged	482	

Top 5 Volume	Last Close	Daily chg %	Vol (m)
ZETRIX	0.695	(13.1)	352.3
PHRM	0.290	(10.8)	238.5
MMAG	0.050	0.0	66.9
TANC	1.340	0.0	63.1
CAPITALA	0.575	(3.4)	57.4

Top 5 Turnover	Last Close	Daily chg %	Val (RM m)
ZETRIX	0.695	(13.1)	255.0
MAY	11.940	0.0	233.7
PMAH	7.510	(2.0)	195.4
PBK	4.900	(0.2)	127.2
GAM	4.030	(2.9)	116.1

Currencies	Last Close	% Chg
USD/MYR	3.961	(0.3)
USD/JPY	156.640	0.3
EUR/USD	1.177	(0.0)
USD/CNY	6.938	0.1
US Dollar Index	97.824	0.2

Commodities	Last Close	% Chg
Brent (USD/barrel)	67.6	(2.7)
Gold (USD/troy oz)	4,668.0	(2.3)
CPO (MYR/metric t)	4,121.0	(0.5)
Bitcoin (USD/BTC)	60,523.7	(4.1)

Source: Bloomberg



Macro News

US: Job openings drop to lowest since 2020, layoffs edge up

US job openings unexpectedly fell in December to the lowest level since 2020 and layoffs edged up, adding to evidence of sluggish demand for workers. Available positions decreased to 6.5m from a downwardly revised 6.9m reading in November, according to Bureau of Labor Statistics data out on Thursday. The latest figure was below all estimates in a *Bloomberg* survey of economists. The pullback in openings was driven by professional and business services, as well as retail trade. The rise in layoffs reflected more cuts in transportation and warehousing. The number of hires also climbed but remained subdued. (*Bloomberg*)

US: Companies announce most job cuts for a January since 2009

US companies announced the largest number of job cuts for any January since the depths of the Great Recession in 2009, according to data from outplacement firm Challenger, Gray & Christmas Inc. Companies last month announced 108,435 job cuts, a 118% increase from a year earlier. The report on Thursday also showed hiring intentions slid 13% from a year earlier to 5,306 — marking the weakest total for any January in the firm's records back to 2009. "Generally, we see a high number of job cuts in the first quarter, but this is a high total for January," said Andy Challenger, the company's chief revenue officer. "It means most of these plans were set at the end of 2025, signaling employers are less-than-optimistic about the outlook for 2026." (*Bloomberg*)

CN: Pitches mineral price floors, investments to tackle China

The Trump administration hosted 55 countries at a critical minerals summit on Wednesday, pitching price floors and a flood of US private equity in a bid to reduce dependence on China and ensure US manufacturers have stable access to key resources. The European Union (EU), Japan and Mexico each agreed with the US to set up new policies including price floors to help solve critical mineral supply-chain vulnerabilities, according to statements from the US Trade Representative's (USTR) office. Each also pledged to work towards a binding multilateral agreement on trade in critical minerals. The event marked efforts to reduce reliance on Chinese supplies of critical minerals, which have been at the centre of a protracted trade war between the world's two largest economies. (*Bloomberg*)

CN: To pause Panama deals after ports operation nulled

China is asking state firms to halt talks over new projects in Panama, as part of Beijing's broader retaliation after the Central American country voided CK Hutchison Holdings Ltd's contract to operate two ports along its strategic canal, according to people familiar with the matter. The move could derail potential investments worth billions of dollars, the people said, asking not to be identified discussing private matters. Beijing has also asked shipping companies to consider rerouting cargo through other ports if it doesn't result in significant extra costs, they added. China's customs authorities are also stepping up inspections on Panamanian imports such as bananas and coffee, the people said. Projects already underway may also be affected, they added, though no final instructions have been given yet. (*Bloomberg*)

EU: Keeps rates unchanged, takes dollar weakness in stride

The European Central Bank left interest rates on hold as expected on Thursday, playing down the impact of dollar moves on its future policy choices and stressing that its inflation outlook remained largely unchanged. The eurozone's central bank has been on hold since ending a year-long run of rate cuts in June, and surprisingly resilient growth coupled with easing price pressures have taken nearly all pressure off policymakers to provide any further support. In a statement, the ECB acknowledged continued uncertainties around global trade policy and geopolitical tensions but said an updated assessment still saw inflation stabilising at its 2% target in the medium term. (*Reuters*)

MY: Amir Hamzah: One-off RM100 Sara to be credited via MyKad from Feb 9

The government will begin distributing a one-off RM100 Sumbangan Asas Rahmah (Sara) to all eligible Malaysian citizens starting Feb 9, with a total allocation of RM2.bn. The assistance will be automatically credited to recipients' MyKad and can be used until Dec 31, 2026, without the need for any application, Finance Minister II Datuk Seri Amir Hamzah Azizan told the Dewan Rakyat during ministerial question time on Thursday. Eligibility checks can be made via the Sara portal at sara.gov.my starting Thursday. (*The Edge*)

MY: Services producer price index up 1% in 4Q — chief statistician

Malaysia's services producer price index (PPI) rose 1% in the fourth quarter of 2025 (4Q2025), maintaining the same rate of increase for the third consecutive quarter, said the Department of Statistics Malaysia on Thursday. Chief statistician Datuk Seri Dr Mohd Uzir Mahidin said in a statement that the accommodation, food and beverage service activities index increased by 3.1% against a 3.4% rise in 3Q2025, driven by the restaurants and mobile food service activities index (3.5%) and beverage service activities (3%). Meanwhile, the transportation index rose by 2.2%, up from a 0.5% increase in the previous quarter, supported by a 7.1% increase in the passenger air transport index. (*Bernama*)

MY: Rare earths exports not limited to US, minister clarifies

Malaysia's exports of rare earth elements (REE) are not limited to the United States (US) despite the existence of the Malaysia-US Reciprocal Trade Agreement (RTA), said Natural Resources and Environmental Sustainability Minister Datuk Seri Arthur Joseph Kurup. Arthur said the agreement did not stipulate any exclusive commitment, supply obligation or market preference that would bind Malaysia to export REE to any particular country. "The Malaysian government also wishes to stress that REE has never been offered as a concession or quid pro quo in any trade or tariff negotiations with the United States," he said when winding up the debate on the motion of thanks for the royal address



for his ministry in the Dewan Rakyat Thursday. *(Bernama)*

MY: Penang attracts nearly RM16bn Chinese investment over past decade, RM4.2bn in 2025

Penang's long-standing economic partnership with China continues to play a pivotal role in strengthening the state's industrial ecosystem, with Chinese investments reaching nearly RM16bn over the past decade. Chief Minister Chow Kon Yeow said Penang recorded RM4.2bn in approved manufacturing investments from China in 2025 alone and more than 80 Chinese companies are currently operating in the state, including major investors such as Guangdong Tianyu Semiconductor and TF-AMD Microelectronics. He said Penang remains a major contributor to Malaysia-China trade, accounting for RM143bn of Malaysia's RM255bn exports to China from January to November 2025. *(Bernama)*

Corporate News

BJFOOD: 2Q loss narrows on improved margins, absence of impairments

Berjaya Food Bhd reduced its net loss by two-thirds to RM12.0m for its second quarter ended Dec 31, 2026 (2QFY2026), from a net loss of RM35.3m a year ago. The improved performance was helped by improved profit margins arising from cost-saving initiatives, store rationalisation measures, as well as lower depreciation and amortisation charges following the impairments recognised in the previous financial year. Quarterly revenue edged up 2.59% to RM126.3m for 2QFY2026, from RM123.1m, driven by contributions from the group's overseas operations, offsetting the lower revenue from domestic operations. *(The Edge)*

KEYFIELD: Signs RM70.7m shipbuilding contract with Chinese firm

Keyfield International Bhd has signed an USD18m (RM70.7m) shipbuilding contract for a new dynamic positioning anchor-handling tug supply (AHTS) vessel. The offshore support vessel (OSV) charterer said its unit Keyfield Resolute Sdn Bhd entered the contract with China's Jiangsu Shunhong Marine Technology Co Ltd on Feb 4. The contract entails the construction of a new 90-tonne diesel-electric DP2 AHTS — used to handle anchors and tow offshore oil and gas rigs — as part of its strategy to expand capacity and support future charter opportunities. Jiangsu Shunhong Marine Technology is a shipbuilding company based in China with over 20 years of experience. *(The Edge)*

HI: Wins RM78m Johor intracity bus contract

Bus operator HI Mobility Bhd has secured a contract worth over RM78m for intracity bus services in Johor. The term runs from Jan 1, 2026 to Dec 31, 2030, with an option for a two-year extension. *(The Edge)*

HAILY: Clinches RM48m double-storey housing contract in Skudai

Haily Group Bhd has secured a RM48.2m contract to build double-storey houses in Taman Impian Emas, Skudai, Johor. The project will be divided into three sections, all commencing on Feb 23 this year. The main section, involving the construction of 111 double-storey terraced houses along with related infrastructure and landscaping works, is scheduled for completion on Oct 22, 2027. *(The Edge)*

KJTS: Says Malakoff Utilities purchase deal has officially lapsed

KJTS Group Bhd said its proposed acquisition of Malakoff Utilities Sdn Bhd (MUSB), announced a year ago, has fallen through. The acquisition of the energy-efficient cooling unit of Malakoff Corp Bhd officially lapsed after two conditions precedent were not fulfilled by the extended long stop date of Feb 3. Under the terms of the agreement, Malakoff is required to refund the purchase deposit of RM6.6m to KJTS within five business days. Thereafter, both parties will have no further claims against each other, except for any prior breach. It added that the revised use of RM44.4m in proceeds originally allocated for the proposed acquisition has yet to be determined. *(The Edge)*

FPHB: Eyes Main Market transfer by 1H2026

Farm Price Holdings Bhd, which debuted on the ACE Market less than two years ago, is now eyeing a transfer to the Main Market of Bursa Malaysia. This was followed by the Johor-based wholesaler and distributor of fresh vegetables, food and beverage (F&B) products, and other groceries, which has met the requirements for the transfer. *(The Edge)*

SUNVIEW: To diversify into solar power generation

Sunview Group Bhd has proposed a diversification of its principal activities to include solar power generation, a sector it expects to account for over 25% of its future net profit. The diversification is intended to facilitate its acquisition of two 50-megawatt large-scale solar plants, which is expected to lift its power generation segment's contribution to more than 25% of group profit before tax in FY2026. The move, Sunview said, will reduce its reliance on the engineering, procurement, construction and commissioning (EPCC) business and provide more stable and recurring revenue. *(The Edge)*



Upcoming key economic data releases	Date
US Average Hourly Earnings (MoM) (Jan)	Feb 06
US Nonfarm Payrolls (Jan)	Feb 06
US Unemployment Rate (Jan)	Feb 06
<i>Source: Bloomberg</i>	

Stock Selection Based on Dividend Yield

	Sector	Price (RM)	Dividend/Share (RM)	Dividend Yield (%)
British American Tobacco (M)	Consumer	4.52	0.65	14.38
Bonia Corporation	Consumer	0.90	0.11	12.67
Taliworks Corporation	Utilities	0.46	0.05	10.87
Sentral REIT	REIT	0.81	0.06	7.90
MBM Resources	Consumer	5.23	0.41	7.82
Paramount Corporation	Property	1.05	0.08	7.62
Ta Ann Holdings	Plantation	4.70	0.35	7.45
KIP REIT	REIT	0.96	0.07	7.23
MAG Holdings	Consumer	1.32	0.10	7.20
Magnum	Consumer	1.32	0.10	7.20
CapitaLand Malaysia Trust	REIT	0.69	0.05	7.15
Sports Toto	Consumer	1.31	0.08	6.34
Kim Loong Resources	Plantation	2.38	0.15	6.30
Wellcall Holdings	Ind. Prod.	1.33	0.08	6.17
UOA Development	Property	1.89	0.11	6.03

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		
Kee Ming Group Berhad	ACE Market	0.38	66.6	16.3	27 Jan	12 Feb
Hock Soon Capital Berhad	Main Market	0.60	100.0	50.0	30 Jan	13 Feb
Teamstar Berhad	ACE Market	0.26	132.0	72.0	09 Feb	25 Feb

Source: Bursa Malaysia

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