



# Daily Newswatch

## Market Review

The FBM KLCI climbed 1.1% on Monday to 1,751.3 points, tracking Wall Street's positive performance supported by the SARA cash disbursement, while broader Asian market sentiment was further lifted by the resounding victory of Japan's incumbent prime minister. Sectoral gains were led by Technology (+3.7%), followed by Industrials Products & Services (+1.5%) and Consumer Products & Services (+1.4%). Among heavyweight constituents, 99 Speed Mart, Petronas Chemicals and Sime Darby emerged as top performers, advancing 4.8%, 4.8% and 3.2%, respectively. Market breadth turned positive from the previous close, with gainers outnumbering losers at 798 to 341, while 529 counters ended unchanged.

Major Asian markets closed higher on Monday, as Wall Street's rebound boosted risk appetite and a landslide election victory for Japan's Prime Minister Sanae Takaichi lifted regional confidence, supporting bets on continued fiscal support and a recovery in beaten-down tech shares. The Shanghai Composite rose 1.4% to 4,123.1 points, the Hang Seng Index gained 1.8% to 27,027.2 points, Taiwan's TAIEX surged 2.0% to 32,404.6 points, while South Korea's KOSPI jumped 4.1% to 5,298.0 points. In China, gains were led by Information Technology (+3.2%), Materials (+2.0%) and Real Estate (+1.9%), driven by Shenzhen JPT Opto-Electronics (+20.0%), Shanghai Information2 Software (+20.0%) and Changzhou Fusion New Material (+20.0%). Meanwhile, South Korea outperformed, led by Industrial Services (+6.4%), Electronic Technology (+5.0%) and Communications (+4.7%), supported by Samhwa Paints Industrials (+30.0%), D.I Corp (+25.5%) and Amorepacific Corp (+20.3%).

European stocks closed sharply higher on Monday, supported by banks, industrials and technology on positive corporate news and a broadly favourable macro backdrop. The STOXX 50 rose 1% to 6,058 and the STOXX 600 gained 0.6% to 621, both at record highs, led by UniCredit's 6.4%+ jump on a Q4 earnings beat and strong dividend, while SAP and Adyen climbed 2.5%–5% and TotalEnergies, Siemens, EssilorLuxottica and Siemens Energy advanced ahead of earnings.

US stocks started the week on a firm note, with the Dow reaching a fresh record high. In Monday's cash session, the Dow rose 0.04%, the S&P 500 advanced 0.47%, and the Nasdaq Composite jumped 0.9%, marking a second consecutive day of gains across all three benchmarks. Technology stocks led the rally, extending Friday's rebound after recent selling pressure driven by concerns over elevated artificial intelligence spending and potential disruption to traditional software business models. Megacap tech outperformed, with Nvidia up 2.5%, Tesla 1.5%, Microsoft 3.1%, Broadcom 3.3% and Meta Platforms 2.4%. Oracle surged 9.6% following an analyst upgrade tied to stronger AI-related demand. Looking ahead, investors are awaiting the delayed January employment report and upcoming CPI data for clues on economic cooling and the timing of potential policy easing.

## Macro Snapshots

- **US:** Consumer inflation, labour expectations improve, Fed survey shows
- **CN:** Pumping cash to fill US\$456bn liquidity shortfall
- **MY:** To trim sugar incentives ahead of new pricing plan

## Corporate Snapshots

- **BHIC:** Trading in Boustead Heavy Industries' shares suspended for two days
- **IAB:** Signs deal with HK-listed AI firm to adopt tech solutions
- **CAPITALA:** Artist hauls AirAsia to court over use of artwork without consent

Key Indices	Last Close	Daily chg %	YTD chg %
FBM KLCI	1,751.3	1.1	4.2
Dow Jones	50,135.9	0.0	4.3
Nasdaq CI	23,238.7	0.9	(0.0)
S&P 500	6,964.8	0.5	1.7
SX5E	6,059.0	1.0	4.6
FTSE 100	10,386.2	0.2	4.6
Nikkei 225	56,363.9	3.9	12.0
Shanghai CI	4,123.1	1.4	3.9
HSI	27,027.2	1.8	5.4
STI	4,960.8	0.5	6.8

Market Activities	Last Close	% Chg
Vol traded (m shares)	3,121.6	3.4
Value traded (RM m)	2,901.8	(6.4)
Gainers	798	
Losers	341	
Unchanged	529	

Top 5 Volume	Last Close	Daily chg %	Vol (m)
ZETRIX	0.805	17.5	215.9
MMAG	0.045	(10.0)	128.4
TANC	1.360	2.3	60.0
AMBEST	0.330	(4.3)	52.9
PHRM	0.300	1.7	49.3

Top 5 Turnover	Last Close	Daily chg %	Val (RM m)
PBK	5.080	2.2	208.2
MAY	12.060	1.0	180.0
ZETRIX	0.805	17.5	166.6
TNB	14.140	1.4	150.9
CIMB	8.550	1.1	128.5

Currencies	Last Close	% Chg
USD/MYR	3.935	0.3
USD/JPY	155.940	(0.0)
EUR/USD	1.191	(0.0)
USD/CNY	6.921	0.2
US Dollar Index	96.866	(0.8)

Commodities	Last Close	% Chg
Brent (USD/barrel)	69.0	1.5
Gold (USD/troy oz)	5,001.5	(1.1)
CPO (MYR/metric t)	4,100.0	0.4
Bitcoin (USD/BTC)	70,379.0	0.0

Source: Bloomberg



## Macro News

### US: Consumer inflation, labour expectations improve, Fed survey shows

US consumer expectations for inflation and the job market improved slightly in January, according to a Federal Reserve Bank of New York survey. Households saw prices rising 3.1% over the next year, down from 3.4% in December, according to the median response in results of the New York Fed's monthly Survey of Consumer Expectations, released Monday. The probability consumers assigned to losing a job also edged down, while their perceived chances of being able to find a new one within three months improved to around 46%. Signs of a stabilising labour market paved the way for Fed officials to hold interest rates steady last month, after three consecutive rate cuts to close out 2025. (*Bloomberg*)

### US: IMF chief plays down the dollar's 'short term variations'

The head of the International Monetary Fund (IMF) downplayed the dollar's decline over the past year, saying the US currency will probably retain its preeminent position. "We should not get carried away by short term variations of the exchange rate," the IMF managing director Kristalina Georgieva said in an interview on Monday with Bloomberg Television. "I don't see a change in the role of the dollar anytime soon." People "should look closely to why the dollar plays such an important role in the international monetary system," she said, citing "the depth and liquidity of capital markets in the US, the size of the economy and the entrepreneurial spirit of the US." (*Bloomberg*)

### US: Natgas Prices Extend Fall to Over 3-Week Low

US natural gas futures slumped to below \$3.20 per MMBtu on Monday, extending losses from the previous session and reaching its lowest level in over three weeks, as markets weighed the impact of warmer weather forecasts across broad areas of the country. Above-average temperatures are expected across large swaths of the US, with the central and southern regions experiencing unseasonably warm weather in the coming days, gradually moving eastward. These milder temperatures are likely to suppress demand for heating and power generation, putting downward pressure on gas prices. (*Trading Economics*)

### CN: Taiwan January exports surge fastest in 16 years on AI demand

Taiwan's exports rose much more than expected in January, hitting the fastest monthly clip in 16 years amid continued demand for the island's chips and technology that are powering artificial intelligence (AI) applications. Exports showed a 69.9% increase year-on-year to US\$65.8bn (RM259.3bn), versus 51.9% in a Reuters poll and 43.4% in December, reaching a monthly record high by value, the finance ministry said on Monday. The export performance continued a streak of 27 consecutive monthly year-on-year gains. The ministry said in a statement that AI and cloud business demand was strong, but noted the lower base given that late January last year marked the start of the week-long Lunar New Year holiday, resulting in fewer working days. (*Reuters*)

### CN: Yuan hits fresh 33-month high after report of regulators warning on US Treasury risk

China's yuan edged higher to a fresh 33-month high against the US dollar on Monday, after a report that regulators have advised financial institutions to curb their US Treasury exposure, while the greenback weakened on rate cut expectations. Chinese regulators have asked financial institutions to rein in their holdings of US Treasuries and instructed those with high exposure to pare down their positions due to concern over concentration risk and market volatility, *Bloomberg News* reported, citing unnamed sources. The onshore yuan strengthened to as much as 6.9284 per dollar, the strongest level since May 11, 2023. (*Reuters*)

### CN: Pumping cash to fill US\$456bn liquidity shortfall

The People's Bank of China is boosting the supply of money available to banks to ensure they can meet the surge in demand for cash during the Lunar New Year holidays. The central bank injected a total of 600bn yuan (US\$86.4bn or RM341bn) via a 14-day repurchase agreements late last week, ending a two-month hiatus for such operations. Industrial Securities forecasts the PBOC to add as much as 3.5tn yuan of funds via similar tools before the holidays kick off on Sunday. The injections would address a roughly 3.2-trillion-yuan liquidity gap identified by *Bloomberg* calculations. (*Bloomberg*)

### MY: Sara aid to be credited Monday, expanded to include frozen food items — MOF

The *Sumbangan Asas Rahmah* (Sara) For All cash assistance, involving an allocation of RM2.2bn, will be disbursed from Monday (Feb 9), benefitting over 22 million eligible adult Malaysian citizens. The Ministry of Finance (MOF) said that 22 million MyKad holders will receive the one-off RM100 assistance, and it can be used until Dec 31, 2026. "Sara For All programme enables households to receive multiple aid depending on the number of eligible adults. "For example, families comprising husband, wife and two children aged 18 and above will receive a total of RM400, excluding the monthly Sara assistance if eligible," it said in a statement Monday. The ministry said that based on public feedback, the government has also expanded the goods category to include frozen food, thus making it 15 categories in total. (*Bernama*)



**MY: Industrial output speeds up at end-2025**

Malaysia's industrial output sped up at the end of 2025, led by factory activities and electricity generation that offset a decline in the mining sector, data on Monday showed. The industrial production index — which measures output from factories, power plants and mines — rose 4.8% in December when compared to the same month last year, the Department of Statistics Malaysia said in a statement. A *Bloomberg* poll of economists had predicted a median 4.5% increase, and the latest print was also faster than November's 4.3% year-on-year growth. On a month-on-month basis, the index rebounded 0.2%, following a 1.1% contraction in November. The data dovetails with a pick-up in industrial production of China, Vietnam, Japan and Taiwan during the same month. (*The Edge*)

**MY: Adds US\$1.3bn to its reserves by end-January**

Bank Negara Malaysia's (BNM) international reserves rose by US\$1.3bn to US\$126.9bn as at Jan 30, 2026, according to the central bank's latest update released on Monday. The reserve level is a tad above the previous high of US\$125.6bn as at Jan 15, 2026, marking the country's highest reserves position since 2014. The reserves position is sufficient to finance 4.8 months of imports and goods and services, and cover 0.9 times the nation's short-term external debt, BNM said. Short-term external borrowings are defined as debts with maturities of one year or less. They largely comprise foreign currency liquidity operations by resident banks, as well as borrowings by multinational corporations, including foreign banks, from their overseas parents or headquarters. (*The Edge*)

**MY: Govt disbursed over RM9bn to date for Pan Borneo Sabah Phase 1A — works minister**

The government has disbursed RM9.2bn for Phase 1A of the Pan Borneo Highway in Sabah, covering 16 work packages and fully funded through the development budget. Phase 1A, which involves a 318km stretch, has achieved 86.98% physical progress, with four packages already completed and benefitting road users, Works Minister Alexander Nanta Linggi said when wrapping up the debate on the motion of thanks for the royal address in Dewan Rakyat on Monday. The total costs for Phase 1A, nevertheless, remain provisional as construction is still ongoing and subject to variation orders, or VOs, Alexander said. (*The Edge*)

**MY: To trim sugar incentives ahead of new pricing plan**

Malaysia is set to reduce financial incentives for sugar manufacturers as the government prepares to finalise a new pricing framework for refined white sugar. Domestic Trade and Living Costs Minister Datuk Armizan Mohd Ali said the incentives, which have been in place since November 2023, are currently under review. The evaluation is being conducted carefully to prevent sudden inflationary pressure on consumers. "As an immediate measure, we will first reduce the incentives for sugar manufacturers, and an official announcement will be made soon," Armizan told Parliament on Monday during the debate on the motion of thanks for the royal address. (*The Edge*)

**MY: Manufacturing sector set to anchor 2026 industrial growth after strong year-end performance**

Malaysia's manufacturing momentum is expected to extend well into 2026, bolstered by resilient external demand, firm domestic consumption, and supportive government policies, according to economists. This optimistic outlook follows a surge in the country's industrial production index (IPI), which measures output from the manufacturing, electricity and mining sectors, at the end of 2025. Despite a contraction in mining activity, official data from the Department of Statistics Malaysia (DOSM) showed IPI rising 4.8% year-on-year in December 2025, beating *Bloomberg's* consensus forecast of a 4.5% increase. (*The Edge*)

## Corporate News

**BHIC: Trading in Boustead Heavy Industries' shares suspended for two days pending material announcement**

Boustead Heavy Industries Corporation Bhd's shares have been suspended from trading on Monday until 5pm on Tuesday Feb 10, pending a material announcement to Bursa Malaysia. BHIC is 72.38% owned by Boustead Holdings Bhd, which is wholly owned by Lembaga Tabung Angkatan Tentera (LTAT), the armed forces provident fund. Recently, BHIC has been working with foreign partners. In January, it signed an agreement with France's Defense Conseil International to provide spare parts, components, and technical and manpower support for helicopter platforms in Malaysia. (*The Edge*)

**KINERGY: Signs 21-year hydropower-based virtual power purchase agreement with Safran unit**

Energy firm Kinergy Advancement Bhd said on Monday it has entered into a long-term virtual power purchase agreement (VPPA) with Safran Landing Systems Malaysia Sdn Bhd, a unit of France-based Safran Group. The agreement is to effectively neutralise the electricity consumption of Safran's manufacturing plant in Negeri Sembilan, the group said in a statement. Unlike a conventional physical PPA, a VPPA is a financial contract linked to renewable energy generation. "Through this mechanism, Kinergy delivers renewable electricity into the national grid, while the corporate consumer [Safran Landing Systems Malaysia] secures the associated environmental attributes together with a financial hedge tied to the renewable output," the filing read. (*The Edge*)

**IAB: Signs deal with HK-listed AI firm to adopt tech solutions**

Insights Analytics Bhd, whose shares have surged by more than fivefold from their IPO price in under three months, has signed a memorandum of understanding with Hong Kong-listed 51WORLD Digital Twin Technology Co Ltd to adopt its technology solutions. 51WORLD, an AI-driven digital twin and physical AI technology pioneer, specialises in real-world simulation and intelligent system modelling, according to a bourse filing. Under the collaboration, Insights Analytics will integrate 51WORLD's industrial-grade, AI-powered digital twin solutions into its platform to develop and deploy innovative applications across multiple industries. (*The Edge*)

**CAPITALA: Artist hauls AirAsia to court over use of artwork without consent**

Lithuanian artist Ernest Zacharevic is suing AirAsia for copyright infringement over the unauthorised use of his famous artwork, *Kids on Bicycle*, on the company's aircraft. The lawsuit also names investment holding company Capital A Bhd as the other defendant. The lawsuit centres on artwork which is a widely recognised mural that was created as part of a series of murals in collaboration with the George Town Festival 2012. The Penang-based artist added that this particular artwork on the airplane could be viewed widely and had flown to numerous destinations, including Malaysia, Vietnam, Indonesia, and Thailand, from October until December 2024. (*The Edge*)

**FOODIE: Scales into e-sport content with WTM Media tie-up**

Foodie Media Bhd is collaborating with WTM Media Sdn Bhd to co-develop and commercialise next-generation digital and e-sports media content. Effective from Feb 9, 2026, the partnership runs for an initial one-year term, with an option to extend, according to Foodie Media's bourse filing. Both parties will explore new content formats and monetisation opportunities across brand partnerships, sponsorships, and integrated campaigns, said Foodie Media, which was listed on Bursa Malaysia in November last year. Foodie Media said it sees strong potential in WTM's vision and talent and will contribute strategic guidance, market insights and business development expertise to support WTM's next phase of scale. (*The Edge*)

**MAYBANK: Roll out new RM1bn tranche under portfolio guarantee scheme for SMEs**

Malayan Banking Bhd and Credit Guarantee Corp Malaysia Bhd (CGC) have launched a new RM1bn tranches under the Portfolio Guarantee (PG) scheme to expand financing access for small and medium enterprises (SMEs), with a focus on supporting growth, resilience and sustainability initiatives. The latest tranche will introduce a new PG/-Islamic sustainable finance scheme, aimed at SMEs transitioning towards more sustainable business practices, alongside financing for working capital, expansion and supply chain needs. Eligible businesses can obtain funding ranging from RM10,000 to RM1.5m, with applications submitted digitally via Maybank's SME Digital Financing platform. (*The Edge*)

Upcoming key economic data releases	Date
US Non-Farm Payrolls (Jan)	Feb 11
US Unemployment Rate (Jan)	Feb 11
US Core Inflation Rate MoM & YoY	Feb 11
US Initial Jobless Claims	Feb 12
US Existing Home Sales (Jan)	Feb 12
US CPI MoM & YoY	Feb 13
<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	12.74
Taliworks Corporation	Utilities	0.46	0.05	10.99
Sentral REIT	REIT	0.80	0.06	8.00
MBM Resources	Consumer	5.16	0.41	7.93
Paramount Corporation	Property	1.04	0.08	7.69
Ta Ann Holdings	Plantation	4.61	0.35	7.59
KIP REIT	REIT	0.95	0.07	7.30
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	1.29	0.08	6.43
Kim Loong Resources	Plantation	2.38	0.15	6.30
Wellcall Holdings	Ind. Prod.	1.33	0.08	6.17
UOA Development	Property	1.90	0.11	6.00

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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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](http://www.mercurysecurities.com.my)  
Email: [mercurykl@mersec.com.my](mailto:mercurykl@mersec.com.my)