



Daily Newswatch

Market Review

The FBM KLCI edged 0.1% higher to close at 1,741 points on Monday ahead of the Chinese New Year break. The broader market was positive, with Property (+1.5%), Industrial Products & Services (+1.3%) and Utilities (+1.0%) leading the pack. Among index constituents, Petronas Chemicals emerged as the top gainer, climbing 3.3%, followed by Tenaga Nasional and MISC adding 3.3% and 2.4% respectively. Overall market breadth was positive, with gainers outpacing losers 527 to 464, with 548 counters left unchanged.

Japan's Nikkei 225 added 1.0% on Wednesday to close at 57,144 points. The Japanese markets rebounding from earlier in the week's losses as the overall economic outlook improved due to Japan's strong export growth reports. Following a resounding electoral victory, Prime Minister Sanae Takaichi was also formally reelected, refocusing attention on expediting budget discussions and carrying out the trade agreement signed with US President Donald Trump. The first set of projects under Japan's \$550bn investment commitment linked to the bilateral trade agreement initially proposed by Trump were verified by Takaichi. In a separate statement, the IMF cautioned that lowering the consumption tax would "erode fiscal space and add to fiscal risks" and encouraged Japan to refrain from fiscal relaxation and to keep normalizing monetary policy. The surge was led by financial equities, with Sumitomo Mitsui Financial Group, Mizuho Financial Group, and Mitsubishi UFJ Financial Group all rising 0.5% to 2.8%. The Shanghai Composite, TAIEX, Hang Seng and KOSPI will resume trading on 24/2, 23/2, 20/2 and 19/2 2026 respectively.

European stocks closed substantially higher on Wednesday, beating North American counterparts, as markets responded to a better macroeconomic background and new reports of a change in leadership at the European Central Bank. The Eurozone STOXX 50 rose 1.4% to 6,105, while the pan-European STOXX 600 rose 1.2% to 629, both at new highs.

Wall Street remained stable on Wednesday as investors reassessed the impact of AI disruption on the tech industry and maintained the Federal Reserve's rate-cutting view. The Nasdaq 100 increased by 0.8%, the S&P 500 by 0.6%, and the Dow by 0.3%. Rate traders continued to expect the Fed to lower rates numerous times this year, but minutes from the Fed's most recent meeting showed that many FOMC members warned that disinflation could be gradual and uneven. Nvidia rose 1.6% after Meta said it would utilize millions of Nvidia chips in its new data center, recovering from recent weakness on concerns about whether AI infrastructure spending will result in better profits.

Macro Snapshots

- **US:** Fed Policymakers Split Over Next Moves on Rates
- **JP:** Exports rise most in three years as AI underpins chips
- **UK:** UK Inflation Falls to 3.0% in January
- **FR:** France Inflation Rate Confirmed at 5-Year Low

Corporate Snapshots

- **HTPADU:** Hit with RM5m suit over contract dispute
- **MISC:** Secures FPSO Ruby II contract extension in Vietnam until end-2027
- **JOHAN:** Unit to sell Lumut hotel and adjoining land for RM47.4m
- **FARMIERA:** Reports fire incident at Negeri Sembilan chicken farm

Key Indices	Last Close	Daily chg %	YTD chg %
FBM KLCI	1,741.3	0.1	3.6
Dow Jones	49,662.7	0.3	3.3
Nasdaq CI	22,753.6	0.8	(2.1)
S&P 500	6,881.3	0.6	0.5
SX5E	6,103.4	1.4	5.4
FTSE 100	10,686.2	1.2	7.6
Nikkei 225	57,143.8	1.0	13.5
Shanghai CI	4,082.1	(1.3)	2.9
HSI	26,705.9	0.5	4.2
STI	4,938.6	0.0	6.3

Market Activities	Last Close	% Chg
Vol traded (m shares)	1,807.3	(25.7)
Value traded (RM m)	1,814.5	(30.1)
Gainers	527	
Losers	464	
Unchanged	548	

Top 5 Volume	Last Close	Daily chg %	Vol (m)
HONGSENG	0.010	100.0	129.2
ZETRIX	0.850	6.3	117.7
TANC	1.430	1.4	51.8
99SMART	3.730	(5.6)	49.0
PHRM	0.310	1.6	27.7

Top 5 Turnover	Last Close	Daily chg %	Val (RM m)
99SMART	3.730	(5.6)	184.0
MAY	11.940	(1.0)	135.4
TNB	14.420	3.3	130.1
ZETRIX	0.850	6.3	98.7
CIMB	8.380	(0.9)	87.3

Currencies	Last Close	% Chg
USD/MYR	3.900	0.2
USD/JPY	154.750	0.0
EUR/USD	1.179	0.1
USD/CNY	6.905	(0.1)
US Dollar Index	97.703	0.6

Commodities	Last Close	% Chg
Brent (USD/barrel)	70.4	4.3
Gold (USD/troy oz)	4,980.8	0.1
CPO (MYR/metric t)	4,013.0	(0.6)
Bitcoin (USD/BTC)	66,428.9	0.2

Source: Bloomberg



Macro News

US: Fed Policymakers Split Over Next Moves on Rates

Fed officials are divided over the future path of interest rates, reflecting a tension between the need to contain inflation and the desire to support the labor market, according to the minutes of the January 2026 FOMC meeting. Several participants indicated that further reductions in the fed funds rate would likely be appropriate if inflation continues to decline in line with their expectations. Others argued that it may be prudent to hold the policy rate steady for some time and some even raised the possibility that rate increases could become necessary if inflation remains persistently above target. In addition, a vast majority of participants judged that downside risks to employment had moderated in recent months while the risk of more persistent inflation remained. The Fed left the federal funds rate unchanged at the 3.5%–3.75% target range in its January 2026 meeting, in line with expectations, after three consecutive rate cuts last year. *(US Federal Reserve, Trading Economics)*

US: Housing Starts Jump to Five-Month High

US housing starts rose 6.2% month-on-month to a seasonally adjusted annualized rate of 1.4m in December 2025, up from 1.3m in November and well above forecasts of 1.3m. The increase marked the second straight monthly gain, lifting starts to their highest level since July and further rebounding from October's 15-month low. Single-family housing starts climbed 4.1% to 981,000, the strongest pace since February, while multi-family starts (five units or more) surged 10.1% to a three-month high of 402,000. Regionally, activity rose sharply in the West (up 37.4% to 334,000) and increased in the Northeast (5.6% to 152,000) and Midwest (2.3% to 177,000). In contrast, starts declined 2.8% in the South to 741,000. For the full year, an estimated 1,358,700 housing units were started in 2025, down 0.6% from 2024 and marking a fourth straight annual decline. *(Trading Economics)*

US: Manufacturing Output Rises Most in 11 Months

Manufacturing output in the United States rose 0.6% in January 2026, the most since February 2025 and more than market expectations of 0.4%. Durable manufacturing output increased 0.8%, with gains in nearly all component industries, including increases of at least 1% in the production of nonmetallic mineral products, machinery, computer and electronic products, miscellaneous durable goods, and motor vehicles and parts, which increased for the first time since August 2025. Nondurable manufacturing output rose 0.4%, with mixed results among component industries: Gains in the production of paper, printing and support, chemicals, and plastics and rubber products more than offset declines in the remaining industries. Capacity utilization for manufacturing increased 0.4 percentage point in January to 75.6%, a rate that is 2.6 percentage points below its long-run (1972–2025) average. *(Trading Economics)*

US: Durable Goods Orders Fall Less than Anticipated

New orders for US-manufactured durable goods decreased by 1.4% mom in December 2025, following an upwardly revised 5.4% jump in November, delayed data showed. The drop was milder than the 2% decline expected by analysts and was largely driven by a 5.3% fall in transportation equipment, notably a 25.9% slump in nondefense aircraft and parts. Orders also declined significantly for capital goods (-3.9%) but picked up for defense aircraft and parts (9.5% vs 3.2%) and computers and electronic products (3% vs 0.7%). Excluding transportation, new orders increased by 0.9%, after a downwardly revised 0.4% rise in November and above the expected 0.3% gain; while excluding defense, they slipped by 2.5% following a 6.6% jump the prior month. Meanwhile, orders for non-defense capital goods excluding aircraft, a closely watched proxy for business spending plans, rose by 0.6%, following an upwardly revised 0.7% increase in the month before. In 2025, new orders increased by 7.8% over a year ago. *(Trading Economics)*

JP: To invest USD36bn in US projects under Trump deal

Japan plans to invest USD36bn in US oil, gas and critical mineral projects, the first tranche of its USD550bn commitment under the trade agreement it struck with US President Donald Trump. "Our MASSIVE Trade Deal with Japan has just launched!" Trump posted Tuesday on social media. "The scale of these projects are so large, and could not be done without one very special word, TARIFFS." Japanese Prime Minister Sanae Takaichi said the projects were designed to build resilient supply chains through cooperation in areas crucial for economic security, including critical minerals, energy and artificial intelligence (AI). *(Bloomberg)*

JP: Exports rise most in three years as AI underpins chips

Japan's exports rose at the fastest clip in more than three years as demand for chips related to artificial intelligence (AI) offset sluggish car shipments to the US, in data that were helped somewhat by the Lunar New Year effect. The value of overall exports gained 16.8% in January from a year earlier, the sharpest increase since November 2022, the Finance Ministry reported Wednesday. That beat the median analyst forecast of a 13% rise. Overall shipments of semiconductors and other electronic components rose by almost 40%, led by a 51.7% jump in those exports destined for China. The figures come against a backdrop of growing optimism over the outlook for international commerce at the World Trade Organization (WTO). The WTO's director general said last month that the rapid acceleration of AI may underpin global merchandise trade this year, helping overcome US tariff headwinds. *(Bloomberg)*

EU: ECB President Lagarde plans to quit before Macron's term ends

European Central Bank President Christine Lagarde plans to leave her job early, ahead of next year's French presidential election, to give outgoing French leader Emmanuel Macron an input into picking her successor, the Financial Times said on Wednesday. Lagarde's term is



due to end in October 2027, but some fear that the far right may win the French presidential race in the spring of 2027, complicating the selection for the new leader of Europe's most important financial institution. Citing a person familiar with the matter, the FT said Lagarde has not yet decided on the exact timing of her departure but was keen on Macron and German Chancellor Friedrich Merz to be the key deciders in who succeeds her. Macron cannot run again for a third term. *(Reuters)*

UK: UK Inflation Falls to 3.0% in January

UK consumer price inflation eased to 3.0% in January 2026, down from 3.4% in December and in line with market expectations. This marks the lowest annual inflation rate since March 2025, primarily driven by softer increases in transport and food prices. Transport costs rose by 2.7% year-on-year, slowing from 4.0% in December, as fuel prices fell and air fare inflation moderated. Meanwhile, food and non-alcoholic beverage prices increased by 3.6%, down from 4.5% the previous month. Inflation also eased in housing and utilities (4.5% vs. 4.9%) and recreation and culture (2.6% vs. 2.7%). However, price growth in restaurants and hotels accelerated to 4.1%, up from 3.8%. Core inflation, which excludes more volatile components such as food and energy, declined to 3.1% in January, its lowest level since August 2021, suggesting underlying price pressures are gradually moderating. On a monthly basis, consumer prices fell by 0.5%, reversing a 0.4% increase recorded in December. *(Trading Economics)*

FR: France Inflation Rate Confirmed at 5-Year Low

France's annual inflation rate eased to 0.3% in January 2026, down from 0.8% in December, confirming preliminary estimates. This marked the lowest reading since December 2020, driven mainly by a sharper fall in energy prices (-7.6% vs -6.8% in December) and deeper declines in manufactured goods (-1.2% vs -0.4%). Price growth also moderated for services (1.7% vs 2.1%) and tobacco (2.7% vs 4.1%). In contrast, food price inflation accelerated to 1.9% from 1.7%, supported by higher prices for fresh vegetables, citrus fruits, and meat. Meanwhile, core inflation fell to 0.7% from 1.1%. On a monthly basis, consumer prices declined 0.3% after rising 0.1% in December, with seasonal discounts in clothing and footwear contributing to the drop. In EU-harmonised terms, inflation slowed to 0.4% year-on-year, while prices fell 0.4% month-on-month. *(Trading Economics)*

MY: Govt launches fast-track to discharge bankrupt single parents, scam victims and microloan borrowers

The government has introduced the "Second Chance Fast Track Policy" aimed at providing an express pathway and expediting the discharge mechanism for four targeted groups of bankrupt individuals. Minister in the Prime Minister's Department (Law and Institutional Reform) Datuk Seri Azalina Othman Said said the policy was introduced to help the targeted groups rebuild their lives and continue contributing to national development. The four target groups eligible under the policy are single parents; microloan entrepreneurs; victims of financial fraud (scammers); and housing loan borrowers affected by abandoned housing projects. *(Bernama)*

Corporate News

HTPADU: Hit with RM5m suit over contract dispute

Heitech Padu Bhd has been served with a RM5.1m suit from a facilities management firm in relation to a contract. The facilities management firm, Kayangan Cahaya Sdn Bhd, filed the suit at the Shah Alam High Court, claiming the sum in relation to a building maintenance services agreement dated April 5, 2024, and associated works, according to a bourse filing on Monday (Feb 16). "The company disputes the claim and is in the process of reviewing the allegation with its solicitors. The company intends to defend the suit," Heitech Padu said. *(The Edge)*

DPHARMA: Ministry of Health awards two contracts worth RM117.6m in total for the distribution of insulin products and insulin injections

Duopharma Biotech Bhd has received two letters of award worth a sum value of RM116.7m to supply insulin products and insulin injections to the Ministry of Health (MOH) and its facilities. The first contract, valued at RM65.1m, was awarded to its unit Duopharma Marketing Sdn Bhd and Biocon Sdn Bhd for the supply of recombinant human insulin formulations. Another wholly-owned unit Duopharma (M) Sdn Bhd had received a contract valued at RM52.5m for the supply of insulin injections to MOH facilities. The first contract will run until May 15, 2026, while the second is expected to run until Feb 5, 2028. *(The Edge)*

IGBB: Southkey City extend RM215m Johor Bahru land deal by three months pending Economy Ministry approval

IGB Bhd and its joint venture partner, Johor state-owned Southkey City Sdn Bhd, have agreed to extend the conditional period for their RM215.0m purchase of two leasehold land parcels in Johor Bahru by three months. The extension is to allow more time for the Ministry of Economy to review and approve the land deal. The land, which is located next to IGB's Mid Valley Southkey project, will be used for a mixed-use development along with existing and future assets in Southkey that could grow to match the scale of Mid Valley City in Kuala Lumpur. *(The Edge)*

MISC: Secures FPSO Ruby II contract extension in Vietnam until end-2027

MISC Bhd's joint venture company has secured a contract extension for its floating production, storage and offloading (FPSO) Ruby II offshore in Vietnam until Dec 31, 2027. The extension to 40%-owned Vietnam Offshore Floating Terminal (Ruby) Ltd allows FPSO Ruby II to continue operating in Blocks 01 & 02 offshore Vietnam. *(The Edge)*



SEAL: Hands over control of 31.5-acre Penang reclamation project to property developer GSD Land

Seal Inc Bhd is relinquishing control over its 31.50-acre reclamation project in Penang to a unit of Penang property developer GSD Land (M) Sdn Bhd to reduce financial risk and funding pressure during the project's long gestation period. The new project investor GSD Land's Titanium Greenview Sdn Bhd is set to have an 82.34% stake in the project vehicle Mutiara Waterfronts Habitats Sdn Bhd while Seal's Daiman Majumas Sdn Bhd's stake will fall to 17.66% from 80%. The proposed collaboration allows Seal to reduce its financial and resource commitments in Mutiara Waterfronts and the reclamation project while retaining a minority stake. *(The Edge)*

GDB: Says no authorised investment scheme promising 20% return

GDB Holdings Bhd clarified that it has not issued, authorised or circulated any share investment scheme promising investors a 20% annual return. The clarification follows a report in *The Edge Malaysia* (Feb 16-22, 2026 edition) which cited a term sheet purportedly outlining a 12-month investment structure guaranteeing principal and a 20% return, payable entirely in shares. *(The Edge)*

JOHAN: Unit to sell Lumut hotel and adjoining land for RM47.4m

Johan Holdings Bhd's 80%-owned unit, Lumut Park Resort Sdn Bhd, is selling a hotel in Lumut, Perak, and three adjoining parcels of land for RM47.4m in cash. Johan Holdings said it expects to record a RM3.9m gain from the disposals. Proceeds from the sales will be used for working capital and the exercise's expenses. The remaining 20% in Lumut Park Resort is owned by Syarikat Majuperak Bhd, a unit of Majuperak Holdings Bhd. *(The Edge)*

FARMIERA: Reports fire incident at Negeri Sembilan chicken farm

Farmiera Bhd said a fire incident occurred at its broiler farm in Linggi, Negeri Sembilan, on Saturday (Feb 14). The incident, which resulted in the loss of three chicken houses with a combined capacity of 100,000 broilers per cycle, is not expected to have a material impact on its operations, it said. It said it will engage contract farmers to mitigate the production disruption, which is expected to recoup production volume and meet existing market commitments. *(The Edge)*

Upcoming key economic data releases	Date
US FOMC Meeting Minutes	Feb 19
US Philadelphia Fed Manufacturing Index (Feb)	Feb 19
US Initial Jobless Claims	Feb 19
US Crude Oil Inventories	Feb 20
US Core PCE Price Index (MoM) (Dec)	Feb 20
US GDP (QoQ) (Q4)	Feb 20
US Core PCE Price Index (YoY) (Dec)	Feb 20
US S&P Global Manufacturing PMI (Feb)	Feb 20
US S&P Global Services PMI (Feb)	Feb 20
US New Home Sales (Dec)	Feb 20
<i>Source: Bloomberg</i>	

IPO Tracker

Company	Listing Sought	Issue Price (RM/Share)	No. Of Shares (m)		Closing Date	Listing Date
			Public Issue	Offer for Sale		
Teamstar Berhad	ACE Market	0.26	132.0	72.0	09 Feb	25 Feb
OGX Group Berhad	ACE Market	0.35	150.0	75.0	02 Mar	12 Mar

Source: Bursa Malaysia

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