



Daily Newswatch

Market Review

The FBM KLCI marginally rose by 4bps on Friday, to close at 1,753 points as despite overnight losses in the US and slight weakening of the Ringgit. Telecommunications & Media (+2.4%), Energy (+0.2%) and Financial Services (+0.2%) lifted the local bourse as the broader market were mostly bearish. 99 Speedmart (+3.4%), Ambank (+1.4%) and Maybank (+1.3%) emerged as top gainers, with Maxis (+1.0%) and Telekom Malaysia (+1.0%) among notable gainers. Overall market breadth turned negative, as losers outweighed gainers 701 to 379, with 521 counters unchanged. WoW, the FBMKLCI added 0.3%, as Energy Minerals (+6.5%), Consumer Services (+3.1%) and Health Technology (+2.4%) led sectorial gains. Top gainers for the week were YTL Corp (+3.6%), Petronas Chemicals (+3.0%) and Petronas Dagangan (+2.8%).

Asian markets ended the week mixed, as escalating US-Iran tensions turned investors cautious while semiconductor thrived in South Korea. The Japanese Nikkei trimmed 1.1% to close at 56,826 points, the Hang Seng dipped 1.1% to close at 26,413 points. Meanwhile, South Korea's KOSPI climbed 2.3% to close at 5,809 points. In the land of the rising sun, Communication Services (-1.9%), Utilities (-1.5%) and Information Technology (-1.4%) led sectoral losses as the broader market was negative. High-profile semiconductor and electronics firms saw notable pullbacks, including Kioxia (-3.3%), Advantest (-2%), and Tokyo Electron (-1.5%). Major banking institutions were also hit, with Mitsubishi UFJ Financial Group and Mizuho Financial Group dropping 2.2% and 1.8%, respectively. Meanwhile, the KOSPI extended its historic run with Energy Minerals (+7.3%), Health Services (+5.4%) and Finance (+3.8%) leading the run. Among notable gainers were SK Hynix (+6.2%), Doosan Enerbility (+5.2%) and Samsung Electronics (+0.1%). WoW, the Nikkei 225, KOSPI and Hang Seng moved -0.2%, +5.5% and -0.9%. The Shanghai Composite and TAIEX and Hang Seng will resume trading on 24th and 23rd February 2026 respectively.

European stock indices closed significantly higher at fresh highs on Friday, maintaining the strong trend for equities markets fueled by positive economic data and temporary reprieve from US sanctions. The Eurozone STOXX 50 jumped 1.2% to 6,131, while the pan-European STOXX 600 climbed 0.8% to 630. WoW, the STOXX 50 and STOXX 600 added 2.4% and 2.1% respectively.

Wall Street rallied on Friday, with the S&P 500 up 0.7% and the Nasdaq up 0.9%, after the Supreme Court overturned President Trump's reciprocal tariffs. The Dow rose 0.5%, recovering from early losses despite a dismal 1.4% GDP print hampered by the government shutdown. While the court determined that the administration lacked the authority under IEEPA to apply broad penalties, Trump responded by imposing a new 10% global tax by executive order. Amazon and Home Depot gained 2.6% and 1%, respectively, as investors balanced potential \$175 billion refunds against the fear of new penalties. Tech momentum helped the Nasdaq stop a five-week losing skid, even while core PCE inflation remained at a sticky 3%, keeping the Fed on watch. For the week, the S&P 500, Dow and Nasdaq CI climbed 1.1%, 0.4% and 1.3% respectively.

Macro Snapshots

- **US:** Supreme Court strikes down Trump's global tariffs
- **US:** PCE inflation heats up in December
- **MY:** Exports up 19.6% in January on demand for manufactured goods

Corporate Snapshots

- **YTL:** YTL Live partners Aviva for UK indoor arena project
- **T7GLOBAL:** Secures appointment as PETRONAS panel contractor
- **SKPRES:** Tabung Haji re-emerges as substantial shareholder

Key Indices	Last Close	Daily chg %	YTD chg %
FBM KLCI	1,752.8	0.0	4.3
Dow Jones	49,626.0	0.5	3.3
Nasdaq CI	22,886.1	0.9	(1.5)
S&P 500	6,909.5	0.7	0.9
SX5E	6,131.3	1.2	5.9
FTSE 100	10,686.9	0.6	7.6
Nikkei 225	56,825.7	(1.1)	12.9
Shanghai CI	4,082.1	(1.3)	2.9
HSI	26,413.4	(1.1)	3.1
STI	5,017.6	0.3	8.0

Market Activities	Last Close	% Chg
Vol traded (m shares)	2,030.8	(0.5)
Value traded (RM m)	2,197.4	(12.7)
Gainers	379	
Losers	701	
Unchanged	521	

Top 5 Volume	Last Close	Daily chg %	Vol (m)
ASTRO	0.100	33.3	127.2
ZETRIX	0.835	(2.3)	83.4
TANC	1.460	1.4	45.3
BIN	0.300	0.0	34.0
VEB	0.315	0.0	29.3

Top 5 Turnover	Last Close	Daily chg %	Val (RM m)
MAY	12.220	1.3	206.4
CIMB	8.490	0.2	122.1
PBK	5.030	(0.6)	96.3
TNB	14.160	(0.7)	93.0
99SMART	3.620	3.4	77.2

Currencies	Last Close	% Chg
USD/MYR	3.903	0.2
USD/JPY	155.050	(0.0)
EUR/USD	1.178	0.1
USD/CNY	6.905	(0.1)
US Dollar Index	97.796	(0.1)

Commodities	Last Close	% Chg
Brent (USD/barrel)	71.8	0.1
Gold (USD/troy oz)	5,107.5	2.2
CPO (MYR/metric t)	4,063.0	(0.7)
Bitcoin (USD/BTC)	67,775.8	(0.0)

Source: Bloomberg



Macro News

US: Supreme Court strikes down Trump's global tariffs

The US Supreme Court struck down Donald Trump's sweeping tariffs that he pursued under a law meant for use in national emergencies, handing a stinging defeat to the Republican president in a landmark opinion on Friday with major implications for the global economy. The justices, in a 6-3 ruling authored by conservative Chief Justice John Roberts, upheld a lower court's decision that Trump's use of this 1977 law exceeded his authority. The justices ruled that the law at issue — the International Emergency Economic Powers Act, or IEEPA — did not grant Trump the power he claimed to impose tariffs. (*Reuters*)

US: Negotiating with India on Venezuelan oil sale, US envoy says

The United States is in "active negotiation" over the sale of Venezuelan oil to India, to help India diversify its sources of crude oil, US Envoy Sergio Gor said on Friday. The US has made diversification away from Russian crude a condition for cutting tariffs on goods imported from India, the world's third-biggest oil importer and consumer. "The Department of Energy is speaking to the Ministry of Energy here, and so we're hoping to have some news of that very soon," Gor told reporters on the sidelines of an event in New Delhi where India joined the US-led Pax Silica initiative aimed at building a silicon supply chain for high-tech products. (*Reuters*)

US: PCE inflation heats up in December

Underlying US inflation increased more than expected in December, and signs are pointing to a further acceleration in January, which would strengthen expectations that the Federal Reserve would not cut interest rates before June. The personal consumption expenditures price index, excluding the volatile food and energy components, rose 0.4% after an unrevised 0.2% gain in November, the Commerce Department's Bureau of Economic Analysis said on Friday. Economists polled by *Reuters* had forecast the so-called core PCE price index climbing 0.3%. In the 12 months through December, core PCE inflation advanced 3.0% after increasing 2.8% in November. It is one of the measures tracked by the US central bank for its 2% inflation target. The data was included in the advance gross domestic product report for the fourth quarter published on Friday. (*Reuters*)

US: Imports more from Taiwan than China for first time in decades

The US imported more from Taiwan than China for the first time in decades as President Donald Trump's tariffs reshape trade flows while a global boom in artificial intelligence (AI) fuels demand for tech products. US purchases of goods from China plunged almost 44% in December from a year earlier to USD21.1bn (RM82.4bn), Commerce Department data showed on Thursday. By contrast, shipments from Taiwan more than doubled during the same period to USD24.7bn. The soaring Taiwanese shipments to the US reflect the huge expansion in supplies of chips and servers for AI companies, which has completely changed the self-ruled island's trade profile and propelled its near USD1tn economy into one of the world's fastest growing. (*Bloomberg*)

US: 10-Year Yield Slips on Geopolitical Risks

The yield on the US 10-year Treasury note eased to around 4.07% on Friday, paring gains from earlier in the week as escalating tensions between the US and Iran fueled safe-haven demand for Treasuries. The US military is bolstering its presence in the Middle East as President Donald Trump considers potential action to pressure Tehran at the negotiating table. On the economic side, Thursday's data showed weekly jobless claims fell to a five-week low, while the US trade deficit widened in December and pending home sales slipped in January. Investors are now awaiting advance fourth-quarter GDP figures and the PCE price index report, the Federal Reserve's preferred inflation gauge. Minutes from the latest FOMC meeting highlighted divisions among policymakers on the rate outlook, with some indicating further hikes may be needed if inflation remains elevated. Traders have scaled back expectations for aggressive easing but continue to price in two 25 basis point cuts before year-end. (*Trading Economics*)

JP: CPI cools to slowest pace in two years on distortions

Japan's key inflation gauge eased to the slowest pace in two years on the back of temporary factors, in an outcome unlikely to shake the central bank's resolve to press ahead with rate hikes when the timing is right. The yen weakened after the data. Consumer prices excluding fresh food rose 2% from a year earlier in January, the smallest gain since January 2024, according to the Ministry of Internal Affairs and Communications on Friday. That matched the median economist forecast and came after the gauge climbed 2.4% in the previous month. The measure that also strips out energy to reflect underlying strength increased 2.6%, well above the Bank of Japan's (BOJ) 2% target. Overall inflation that includes everything dropped to 1.5%, slipping below 2% for the first time since March 2022. (*Bloomberg*)

MY: Exports up 19.6% in January on demand for manufactured goods

Malaysia's exports grew 19.6% in January, driven mainly by sustained demand for manufactured goods, particularly electrical and electronic (E&E) products, the Malaysia External Trade Development Corp (Matrade) said on Friday. Total trade increased 12.6% year-on-year to RM272.4bn. Exports grew to RM146.9bn, marking the seventh consecutive month of expansion, while imports rose 5.3% to RM125.5bn, according to Matrade's statement. Trade surplus has extended to 69 consecutive months since May 2020, amounting to RM21.4bn. (*The Edge*)



MY: Foreign inflows into Malaysian bonds hit RM951.9m in January

RAM Ratings noted that net buying, however, moderated compared to previous months partly due to the wider US Treasuries-MGS yield differential last month and the cautious outlook on US Federal Reserve rate cuts. The rating agency said the US 10-year Treasury yield rose eight basis points month-on-month (m-o-m) to 4.26% as at end-January, reflecting firmer global yields as markets reassessed the pace and timing of US monetary easing. In contrast, it said, the 10-year MGS yield declined 1.4 basis points m-o-m to 3.52%, supported by resilient domestic demand and stable policy expectations. *(Bernama)*

MY: Multi-dimensional Poverty Index 2024 reduced to 0.0025

Malaysia's national Multi-dimensional Poverty Index (MPI) declined from 0.0037 in 2022 to 0.0025 in 2024, signalling continued improvement in overall multi-dimensional well-being, according to the Department of Statistics Malaysia (DOSM). Chief statistician Datuk Seri Mohd Uzir Mahidin, in a statement on Friday, said that the decline in the MPI coincided with decreases in the absolute contribution of most key indicators, particularly in health and selected living standard components. "The lower index value indicates that multidimensional poverty has become less severe, supported by a reduction in overlapping deprivations experienced by households," he said. *(Bernama)*

Corporate News

WELLCHIP: Posts record quarterly profit on stronger pawnbroking business, declares 5.1 sen dividend

Well Chip Group Bhd posted record quarterly earnings of RM24.3m for the fourth quarter ended Dec 31, 2025 (4QFY2025), a 61.33% surge from RM15.0m a year earlier, driven by stronger revenue from its pawnbroking segment. Revenue climbed 32.69% to RM73.9m from RM55.7m. It has proposed a final single-tier dividend of 5.1 sen per share. For the full financial year ended Dec 31, 2025 (FY2025), net profit jumped 72.35% to RM86.2m from RM50.0m, while revenue rose 21.64% to RM270.2m from RM222.1m. *(The Edge)*

YTL: YTL Live partners Aviva for UK indoor arena project

YTL Corporation Bhd's operating company for a new live entertainment complex in Bristol, YTL Live, has announced that diversified UK insurer Aviva has been named the partner of the 20,000-capacity indoor arena under a long-term sponsorship agreement. The long-term multi-million-pound agreement secures naming rights for the venue, which will be known as Aviva Arena when it opens in late 2028. *(Bernama)*

T7GLOBAL: Secures appointment as PETRONAS panel contractor for support services

T7 Global Bhd's unit has been appointed as a panel contractor by Petroliaam Nasional Bhd (PETRONAS) for the provision of third-party professional and support services. The unit, T7 Intelligent Resources Sdn Bhd, will provide the services to the PETRONAS group of companies for a two-year period. The group said the award will have no effect on its issued share capital or substantial shareholders' shareholdings. The board expects the appointment to contribute positively to its earnings and net assets for the financial year ending Dec 31, 2026, subject to the issuance of work orders by PETRONAS. *(The Edge)*

JSB: Declares EGM called by 15 individuals invalid, cites forgery and plans legal action

Jentayu Sustainables Bhd has declared that a proposed extraordinary general meeting (EGM) scheduled for Feb 27 is invalid, in the latest development of an escalating boardroom dispute. In a bourse filing on Friday, the company said the 15 individuals who sought to convene the EGM did not collectively hold at least 10% of its issued share capital at all material times, which is the minimum threshold required under the Companies Act 2016 to call for a members' meeting. The company said it will take immediate legal action against the relevant parties, and it advised shareholders not to participate in the proposed EGM in any manner. *(The Edge)*

SKPRES: Tabung Haji re-emerges as substantial shareholder

SKP Resources Bhd saw the re-emergence of Lembaga Tabung Haji as a substantial shareholder after over a decade. A 500,000-share purchase on Feb 12 bumped up the pilgrimage fund's shareholding in the Johor-based electronic manufacturing services company to 5.028%. An additional one million shares acquired days later raised its stake to 5.092%. *(The Edge)*

VELOCITY: Executive director See resigns a month after leaving MMAG

Velocity Capital Partner Bhd announced the resignation of executive director See Toh Kean Yaw on Friday, effective immediately. See, who departed "to pursue other interest", had been on the board of Velocity Capital, then known as CSH Alliance Bhd, since December 2023. Just a month ago, See stepped down from his role as non-independent and non-executive director at MMAG Holdings Bhd's board, also citing a pursuit of "other interests". *(The Edge)*



Upcoming key economic data releases	Date
US Consumer Confidence	Feb 24
US Initial Jobless Claims	Feb 26
US PPI (Jan)	Feb 27
US Chicago PMI (Feb)	Feb 27
<i>Source: Bloomberg</i>	

Stock Selection Based on Dividend Yield

	Sector	Price (RM)	Dividend/Share (RM)	Dividend Yield (%)
Bonia Corporation	Consumer	0.90	0.11	12.74
British American Tobacco (M)	Consumer	6.45	0.60	9.30
Sentral REIT	REIT	0.80	0.06	8.00
MBM Resources	Consumer	5.25	0.41	7.79
Paramount Corporation	Property	1.10	0.09	7.73
Ta Ann Holdings	Plantation	4.63	0.35	7.56
KIP REIT	REIT	0.93	0.07	7.42
CapitaLand Malaysia Trust	REIT	0.68	0.05	7.21
MAG Holdings	Consumer	1.34	0.09	7.09
Magnum	Consumer	1.34	0.09	7.09
Kim Loong Resources	Plantation	2.40	0.15	6.25
Sports Toto	Consumer	1.36	0.08	6.10
Wellcall Holdings	Ind. Prod.	1.36	0.08	6.03
UOA Development	Property	1.91	0.11	5.97
Al-Aqar Healthcare REIT	REIT	1.29	0.07	5.58

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		
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

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