



Daily Newswatch

Market Review

The FBM KLCI fell 0.7% to 1,601 points on Thursday due to a renewed surge in oil prices and escalating US-Iran tensions in West Asia, which kept the market under selling pressure ahead of today's Budget 2027 announcement. Technology (-2.1%), Telecommunications & Media (-1.8%) and Construction (-1.4%) led sectoral losses, dragged by Kuala Lumpur Kepong (-0.6%), Hong Leong Bank (-0.4%) and Misc (-0.2%). Market breadth was negative, with 790 losers ahead of 369 gainers, while 514 counters closed unchanged.

Asian markets closed lower on Thursday, tracking Wall Street's retreat from record highs as surging oil prices on US-Iran tensions and rising bond yields fuelled inflation fears, while technology stocks faced renewed selling. South Korea's KOSPI led regional losses (-2.6%), followed by Japan's Nikkei 225 and Hong Kong's Hang Seng (both -1.4%), Taiwan's TAIEX (-1.0%) and China's Shanghai Composite (-0.8%). In China, Electronic Technology (-4.5%), Health Technology (-2.6%) and Technology Services (-2.4%) led sectoral losses, with Shanghai Allist Pharmaceuticals, Suzhou Everbright and Yuanjie Semiconductor the biggest decliners, each falling 20%. In South Korea, Industrial Services (-4.4%), Finance (-4.3%) and Health Technology (-3.9%) led sectoral losses, dragged by DH Autonex (-96.6%), Pusan Cast Iron (-28.0%) and Blue Industrial (-22.3%). In South Korea, Industrial Services (-4.4%), Finance (-4.3%) and Health Technology (-3.9%) were the weakest sectors, dragged by DH Autonex (-X%), Pusan Cast Iron (-28.0%) and Blue Industrial (-22.3%).

European stocks closed sharply lower for a second session Thursday as sovereign yields resumed their surge. Euro STOXX 50 fell 0.9% to 6,126 and STOXX Europe 600 dropped 0.7% to 625. Benchmark yields across the eurozone's largest economies extended Wednesday's surge, especially in more indebted states, reinforcing fragmentation concerns. Contagion fears hit banks, with UniCredit, Intesa Sanpaolo, ING and Santander down between 2.5% and 3.1%. ECB meeting accounts confirmed policymakers still see upside inflation risks. Argenx tumbled over 15% after discontinuing its late-stage Vyvgart study for adults with Sjögren's disease.

US stocks fell Thursday after the Financial Times reported OpenAI's revenue sharply trailed earlier reports. S&P 500 and Nasdaq CI fell 0.5% and 1.3%, respectively, while Dow Jones rose by 52 points. Documents showed US\$50bn annualized revenue versus \$70bn estimated, reviving doubts over LLM developers' profitability and soaring AI infrastructure spending, which supported stocks and US GDP growth this year. Chipmakers slumped: Nvidia -2.9%, Broadcom -4.6%, Micron -4.8%. Hyperscalers also fell: Alphabet -0.7%, Microsoft -1.3%, Oracle -5.8%. Volatile oil rebounded as Iran escalated Hormuz tanker attacks and a hurricane threatened Gulf of Mexico output.

Macro Snapshots

- US:** Mortgage Rates Climb to Highest Since 2023
- US:** Weekly jobless claims fall as layoffs remain low
- CN:** Central bank says no need or intention to weaken yuan for trade edge
- MY:** Ports to accelerate decarbonisation, develop green bunkering hubs

Corporate Snapshots

- LWSABAH:** Buys industrial property in Sabah for RM15m
- BKAWAN:** Stake in MKH rises to 96.73% at close of takeover offer
- CYBERE:** Buys Sepang land for RM15m to support university growth
- EXIMHB:** Secures RM15.6m building works contract from Nestcon unit

Indices	Last Close	Daily chg %	YTD chg %
FBM KLCI	1,601.0	(0.7)	(4.7)
Dow Jones	51,231.6	0.1	6.6
Nasdaq CI	27,193.3	(1.3)	17.0
S&P 500	7,765.4	(0.5)	13.4
SX5E	6,126.7	(0.9)	5.8
FTSE 100	10,441.6	(0.2)	5.1
Nikkei 225	69,042.1	(1.4)	37.2
Shanghai CI	3,811.9	(0.8)	(4.0)
HSI	23,785.8	(1.4)	(7.2)
STI	5,413.0	(3.5)	16.5

Market Activities	Last Close	% Chg
Vol traded (m shares)	3,511.5	(8.4)
Value traded (RM m)	3,463.7	(1.5)
Gainers	369	
Losers	790	
Unchanged	514	

Top 5 Volume	Last Close	Daily chg %	Vol (m)
ZETRIX	0.075	(6.3)	237.3
TOPG	0.875	2.3	112.6
VSI	0.330	1.5	106.0
PUC	0.040	0.0	67.0
JAK	0.185	5.7	66.1

Top 5 Turnover	Last Close	Daily chg %	Val (RM m)
MAY	9.800	(0.7)	199.5
CIMB	7.260	(1.0)	156.0
GAM	4.950	(2.6)	148.3
PBK	4.550	(0.9)	129.9
TNB	12.900	0.3	125.3

Currencies	Last Close	Daily chg %
USD/MYR	4.092	(0.1)
USD/JPY	157.920	(0.0)
EUR/USD	1.121	0.0
USD/CNY	6.703	0.0
US Dollar Index	102.138	(0.1)

Commodities	Last Close	% Chg
Brent (USD/barrel)	104.3	4.1
Gold (USD/troy oz)	4,139.5	0.2
CPO (MYR/metric t)	4,448.0	3.2
Bitcoin (USD/BTC)	81,825.2	0.1

Source: Bloomberg



Macro News

US: August wholesale inventories revised lower

US wholesale inventories increased less than initially thought in August as strong demand boosted sales, government data showed on Thursday. Stocks at wholesalers rose by a downwardly revised 0.5%, the Commerce Department's Census Bureau said. Inventories, a key part of gross domestic product, were previously reported to have increased 0.7% in August. They surged 1.4% in July. Inventories advanced 6.4% on a year-over-year basis in August. (*Reuters*)

US: Weekly jobless claims fall as layoffs remain low

The number of Americans filing new claims for unemployment benefits fell last week, pointing to continued labour market stability despite job growth slowing sharply in September. Initial claims for state unemployment benefits slipped 2,000 to a seasonally adjusted 197,000 for the week ended Oct 3, the Labor Department said on Thursday. Economists polled by Reuters had forecast 200,000 claims for the latest week. (*Reuters*)

US: Gold edges up after hitting two-month low as markets weigh Fed rate path

Gold prices edged up on Thursday after hitting a two-month low in the previous session, as investors assessed the minutes of the US Federal Reserve's (Fed) September meeting for clues on its interest rate trajectory. Spot gold rose 0.3% to US\$4,122.99 (RM16,869.21) per ounce by 0916 GMT, having touched its lowest level since Aug 5 on Wednesday as a firmer dollar and higher US Treasury yields weighed. (*Reuters*)

US: Oil Prices Slip on Trump's Remarks

Crude oil fell toward \$91 per barrel on Friday, trimming gains from the previous session after President Donald Trump said on social media that the US was engaged in "productive discussions" with Iran and would refrain from attacking the country before the midterm elections. Trump also claimed that record volumes of crude were passing through the Strait of Hormuz, while stressing that the US naval blockade of Iranian ports would remain fully in place. (*Trading Economics*)

US: Mortgage Rates Climb to Highest Since 2023

The US 30-year fixed-rate mortgage averaged 7.4% as of October 8th, 2026, rising further above 7% to reach its highest level since November 2023 and up from 7.28% in the previous week. This marks the seventh consecutive week with rate increases, as an intensifying selloff in the bond market amid expectations of higher-for-longer interest rates has kept 10-Year Treasury yields at their highest level in decades. (*Trading Economics*)

CN: Central bank says no need or intention to weaken yuan for trade edge

China has no need or intention to use yuan depreciation for a trade competitive advantage and has never engaged in competitive currency devaluation, the central bank said, rejecting criticisms from western trading partners including the European Union (EU). The central bank remarks push back against claims that China keeps its currency undervalued to make its exports cheaper and imported goods pricier, and were issued as the EU's trade chief Maros Sefcovic was in Beijing to discuss narrowing the bloc's trade deficit with China. (*Reuters*)

JP: Bank of Japan sees broadening inflationary pressure

The Bank of Japan's (BOJ) new policymaker Ayano Sato said she supports the idea of raising interest rates in several stages, Kyodo news agency reported on Wednesday, highlighting awareness even among dovish board members of the need to combat inflation risks. Appointed by Prime Minister Sanae Takaichi, who favours looser monetary policy, Sato was one of two dissenters to the BOJ's decision to raise interest rates in September. She joined the nine-member board in June. (*Reuters*)

JP: 30-year bond sale sees firmer demand than 12-month average

Japan's 30-year government bond auction drew stronger demand than its 12-month average as elevated yields attracted investors. The bid-to-cover ratio at Thursday's sale was 3.88 compared with 3.79 at the previous auction and a 12-month average of 3.56. Japan's bonds were steady after the sale. (*Bloomberg*)

MY: Ports to accelerate decarbonisation, develop green bunkering hubs, says Loke

Malaysian ports must accelerate decarbonisation efforts to meet the International Maritime Organization's (IMO) requirement to achieve net-zero emissions by 2050, said Transport Minister Anthony Loke Siew Fook. He said the decarbonisation agenda covered the shipping industry and port operations, with alternative fuels such as methanol, liquefied natural gas and ammonia among the options being considered by the international shipping industry. "First, this is our obligation to the international community under the IMO requirement. We have to achieve net-zero by 2050. We have a 24-year runway. (*Bernama*)



MY: Must leverage industrial ecosystem to attract quality investments from US, says Sim

Malaysia must continue to leverage its industrial ecosystem, skilled workforce, infrastructure and market access to attract more quality investments from the United States, amid intensifying competition from other Asian countries. Deputy Minister of Investment, Trade and Industry Sim Tze Tzin said Malaysia's strengths, built over more than five decades, have enabled the country to compete not merely on cost or incentives but on its ability to provide a comprehensive ecosystem that allows investors to commence operations quickly. *(Bernama)*

MY: Must strengthen regional cooperation to ensure stable energy supply — Akmal Nasrullah

Malaysia has highlighted the need to strengthen regional cooperation to ensure a stable and affordable energy supply, alongside efforts to accelerate the transition to low-carbon energy. Economy Minister Akmal Nasrullah Mohd Nasir, representing the Malaysian government, conveyed this position at the 4th Asia Zero Emission Community (Azec) Ministerial Meeting in Manila, the Philippines today. *(Bernama)*

MY: Builds a new 'Silicon Island' to house its AI ambitions

Just south of Penang, the historic trading island off Malaysia's northwest coast, excavators are turning a stretch of blue-green sea into a new, man-made island. Dump trucks crisscross freshly reclaimed sand as orange pipes snake across the emerging land mass, carrying fill pumped from dredgers offshore. *(Bloomberg)*

Corporate News

GDB: Buys two construction firms for RM82 mil, expands into property development

GDB Holdings Bhd is expanding its construction business through the proposed acquisition of two companies, while diversifying into property development to broaden its earnings base. In a bourse filing on Thursday, GDB said it plans to acquire a 51% stake each in Bina Tegas Sdn Bhd and BT Borneo Engineering Sdn Bhd for a total consideration of RM81.6m. *(The Edge)*

SDG: Obtains additional RM68.01m in land acquisition settlement with PDC

SD Guthrie Bhd (formerly Sime Darby Plantation Bhd) has resolved its five-year legal dispute with the Penang Development Corporation (PDC) involving the compulsory acquisition of the group's lands in Byram Estate, Seberang Perai Selatan, following a settlement between the entities. *(The Edge)*

LIONIND: Auditor flags uncertainty on Lion Industries' ability to continue as going concern

Lion Industries Corp Bhd said on Thursday its independent auditor has issued an unqualified audit opinion with a material uncertainty related to the group's ability as a going concern. Forvis Mazars PLT, which audited the steel and building materials group's financial statements for the 18-month period ended June 30, 2026, noted that the group incurred a net loss of RM211m and recorded net cash outflow from operating activities of RM10m during the period *(The Edge)*

DNEX: Settles with partner Tethystronics over SilTerra dispute

Dagang Nexchange Bhd said it has entered into a global settlement with Tethystronics Technologies Co Ltd (TTCL) in relation with a dispute regarding their semiconductor foundry joint venture SilTerra Malaysia Sdn Bhd. Among the terms of the settlement are for TTCL, through wholly-owned Mimastronics Technologies Co Ltd, to subscribe to preference shares in DNeX Semiconductor Sdn Bhd (DSSB) for RM100m. *(The Edge)*

MTAG: Printing firm MTAG proposes RM13.8m cash acquisition of two label makers

Printing and labelling firm MTAG Group Bhd is proposing to acquire two label manufacturers for an indicative RM13.8m in cash to expand its product offerings and customer base. The group has signed a letter of intent (LOI) with Khor Chun Chuan to acquire the entire stake in LH Label (M) Sdn Bhd and LH Labelprint Sdn Bhd, according to a Bursa Malaysia filing on Thursday. *(The Edge)*

HI: Gets letter of intent to run JB bus network

Johor-based bus operator Hi Mobility Bhd has received a letter of intent (LOI) from the Land Public Transport Agency (APAD) to operate the Stage Bus Service Transformation (SBST) programme in Johor Bahru for about four years. Its wholly owned subsidiary Handal Indah Sdn Bhd (HISB) received the LOI from APAD, an agency under the Transport Ministry, on Thursday for the proposed appointment from Jan 1, 2027 to March 31, 2031. *(The Edge)*

MISC: Secures 20-year charters for five new LNG carriers from PETRONAS unit

MISC Bhd has secured long-term charter contracts for five new liquefied natural gas (LNG) carriers from PETRONAS LNG Ltd, an indirect unit of Petroliaam Nasional Bhd (PETRONAS). Each vessel will have a firm charter period of 20 years, with operations expected to commence in 2030, the shipping group said in a Bursa Malaysia filing on Thursday. The contract value was not disclosed. *(The Edge)*



LWSABAH: Buys industrial property in Sabah for RM15m

Life Water Bhd is acquiring an industrial property in Kota Kinabalu, Sabah, for RM15m to accommodate its business expansion. The group said in a bourse filing its wholly owned subsidiary Green Borneo Industries Sdn Bhd (GBI) entered into a sale and purchase agreement with Kee Foh Haw Sdn Bhd on Wednesday, Oct 7, to acquire a 1.21-hectare parcel of land with a purpose-built office complex and ancillary workshop at KKIP Selatan, Kota Kinabalu Industrial Park (KKIP). *(The Edge)*

LSH: Proposes KL Tower Square, cable car linking key attractions

Lim Seong Hai Capital Bhd is planning to develop a new public square near KL Tower to improve access and attract more tourists, while also hoping to introduce a cable car connecting the landmark with other attractions in Kuala Lumpur. The proposed KL Tower Square would be developed at an existing parking area along Jalan Raja Chulan, although the project is still awaiting approval, said the group's non-independent non-executive chairman Tan Sri Lim Keng Cheng. *(The Edge)*

LSH: Closes 2.9% higher on Main Market debut following listing transfer

Lim Seong Hai Capital Bhd closed higher on Thursday in its first day of trading on Bursa Malaysia's Main Market following the construction firm's transfer from the ACE Market. After opening at RM1.78, the stock ended the day at RM1.80, which was five sen higher or 2.86% from Wednesday's RM1.75, valuing the group at RM1.51bn. *(The Edge)*

SQAI: Semicon firm SQ Advanced Interconnect plans RM300m IPO in early 2027 — Bloomberg

Malaysian semiconductor firm SQ Advanced Interconnect Bhd is considering raising about RM300 m in an initial public offering (IPO) in the first quarter of 2027, people familiar with the matter said. SQ Advanced Interconnect, which is based in Malaysia's semiconductor hub Penang and also has a plant in China, may seek a valuation of up to RM1.5bn in the listing, the people said, asking not to be identified discussing private information. *(The Edge)*

BKAWAN: Stake in MKH rises to 96.73% at close of takeover offer

Batu Kawan Bhd's unconditional mandatory takeover offer for MKH Bhd closed on Thursday with the group's stake in the property developer rising to 96.73%. Batu Kawan and its wholly owned unit Whitmore Holdings Sdn Bhd, together with parties acting in concert, hold the stake comprising 557.93m shares, as at market close on the extended closing date, according to a statement issued on their behalf by Maybank Investment Bank Bhd. *(The Edge)*

EXIMHB: Secures RM15.6m building works contract from Nestcon unit

Exsim Hospitality Bhd has secured a RM15.6m subcontract from a unit of Nestcon Bhd for the supply and installation of building services and general building works. Its wholly-owned subsidiary Exsim Concepto Sdn Bhd was awarded the contract by Nestcon Builders Sdn Bhd on Tuesday (Oct 6), according to a Bursa Malaysia filing on Thursday. *(The Edge)*

CYBERE: Buys Sepang land for RM15m to support university growth

Cyberjaya Education Group Bhd is acquiring 24,777 square metres of vacant freehold commercial land in Sepang for RM15m in cash to support its university's expansion and future student facilities. Its wholly-owned subsidiary Ilmu Living Sdn Bhd is buying the land from Maju PuncakBumi Sdn Bhd, which is in liquidation, the group said in a Bursa Malaysia filing on Thursday. *(The Edge)*

ALAQAR: Lodges sukuk programmes with combined RM3bn limit

Al-'Aqar Healthcare REIT has lodged two sukuk programmes with a combined limit value of RM3bn to fund investments, refinance Islamic financing and meet working capital requirements. The programmes, with Al-'Aqar Capital Sdn Bhd as the issuer, comprise an Islamic notes issuance programme of up to RM3bn and an Islamic commercial papers (ICP) programme of up to RM300m, according to a Bursa Malaysia filing on Thursday. *(The Edge)*



Upcoming key economic data releases	Date
US Existing Home Sales (Sep)	Oct 13
US Core CPI (MoM) (Sep)	Oct 14
US CPI (MoM) (Sep)	Oct 14
US CPI (YoY) (Sep)	Oct 14
US Retail Sales (MoM) (Sep)	Oct 15
US PPI (MoM) (Sep)	Oct 15
US Core Retail Sales (MoM) (Sep)	Oct 15
US Philadelphia Fed Manufacturing Index (Oct)	Oct 15
US Initial Jobless Claims	Oct 15
Source: Investing.com	

Stock Selection Based on Dividend Yield

	Sector	Price (RM)	Dividend/Share (RM)	Dividend Yield (%)
Sentral REIT	REIT	0.63	0.06	10.16
MBM Resources	Consumer	4.73	0.46	9.70
CapitaLand Malaysia Trust	REIT	0.55	0.05	9.45
Bermaz Auto	Consumer	0.91	0.08	9.28
YTL Hospital REIT	REIT	0.97	0.08	8.81
KIP REIT	REIT	0.86	0.07	8.26
MAG Holdings	Consumer	1.19	0.09	7.98
Magnum	Consumer	1.19	0.09	7.98
Paramount Corporation	Property	0.98	0.07	7.45
Sports Toto	Consumer	1.36	0.10	7.21
Ta Ann Holdings	Plantation	5.80	0.40	6.90
AI-Salam REIT	REIT	0.58	0.04	6.90
RHB Bank	Finance	7.15	0.49	6.90
Matrix Concepts Holdings	Property	1.05	0.07	6.76
TIME dotCom	Telco	5.52	0.37	6.76

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		
Ecosys (Malaysia) Berhad	ACE Market	0.27	145.7	-	29 Sept	14 Oct
EGH International Berhad	ACE Market	0.16	240.0	120.0	05 Oct	16 Oct
RedPlanet Berhad	ACE Market	0.19	70.0	10.0	08 Oct	22 Oct
NWE Resources Group Berhad	ACE Market	0.20	143.1	-	09 Oct	21 Oct

Source: Bursa Malaysia



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