



Daily Newswatch

Market Review

The FBM KLCI snapped its four-session winning streak on Thursday, declining 0.2% to close at 1,624 points, as profit-taking in selected heavyweights and a regional market sell-off weighed on sentiment. Hotter-than-expected US inflation reinforced expectations of further Federal Reserve rate hikes, dampening risk appetite. All sectors ended in negative territory, led by Technology (-3.5%), Industrial Products & Services (-2.0%) and Health Care (-1.7%). Key index drags included Hong Leong Bank (-1.1%), YTL Power International (-3.6%) and Kuala Lumpur Kepong (-0.9%). Market breadth was negative, with 852 losers outpacing 294 gainers, while 486 counters remained unchanged.

Asian markets closed sharply lower on Thursday, tracking Wall Street's sell-off as elevated US inflation reinforced expectations of further Federal Reserve rate hikes, adding pressure to technology and semiconductor stocks amid concerns over high AI valuations. South Korea's KOSPI led regional losses, plunging 7.6% to 5,554.2 points, followed by Japan's Nikkei 225 (-4.9%) at 64,426.0 points, Taiwan's TAIEX (-3.4%) at 46,969.9 points, China's Shanghai Composite (-1.6%) at 3,707.5 points and Hong Kong's Hang Seng (-1.0%) at 24,062.7 points. In South Korea, heavy selling in SK Hynix (-11.1%) and Samsung Electronics (-9.5%) dragged the benchmark lower, triggering a temporary trading halt amid heightened volatility. Meanwhile, Chinese equities faced broad-based selling pressure, particularly in technology-related counters, as weakening risk appetite weighed on investor sentiment.

European stocks closed mixed on Thursday, as gains in healthcare and upbeat corporate earnings offset selling pressure in technology and banking stocks. The Euro STOXX 50 declined 0.4% to 6,168 points, while the STOXX Europe 600 rose 0.3% to 640 points. Healthcare (+2.3%), Personal & Household Goods (+2.0%) and Telecommunications (+1.9%) led sectoral gains, while Technology (-1.5%) and Banks (-0.9%) lagged. ASML (-4.2%) and Infineon (-5.2%) declined amid the global semiconductor sell-off, while Nordea (-7.8%) fell following weaker quarterly earnings. Conversely, Ericsson (+6.8%) advanced on stronger-than-expected earnings, supporting market sentiment.

US equities rebounded on Thursday, recovering from the previous session's sell-off as declining Treasury yields and gains in defensive stocks supported sentiment, despite lingering concerns over AI valuations and Fed rate hikes. The Dow Jones surged 556 points while the S&P 500 gained 0.3% and Nasdaq CI edged up 0.1%. Healthcare (+1.9%) and Materials (+1.8%) led sectoral gains, while Technology (-0.7%) remained under pressure. Nvidia (-1.8%) and AMD (-1.5%) declined amid continued semiconductor weakness, while CoreWeave (+5.9%), Oracle (+3.0%) and Microsoft (+1.1%) recovered as concerns over AI-related financing eased.

Macro Snapshots

- US:** Producer prices post largest increase in 4-1/2 years in September
- CN:** For Chinese automakers, the road to survival runs through Europe
- MY:** Needs stronger fiscal buffers against 'black swan' shocks, says MARC Ratings

Corporate Snapshots

- ECOSYS:** Shares almost triple in value on ACE Market debut
- PJBUMI:** Moots RM31m private placement a week after share-split nod
- KIMLUN:** Partner to develop RM450 mil serviced apartment project in JB

Indices	Last Close	Daily chg %	YTD chg %
FBM KLCI	1,623.7	(0.2)	(3.4)
Dow Jones	52,177.7	1.1	8.6
Nasdaq CI	26,713.0	0.1	14.9
S&P 500	7,744.1	0.3	13.1
SX5E	6,168.3	(0.4)	6.5
FTSE 100	10,840.4	1.1	9.2
Nikkei 225	64,426.0	(4.9)	28.0
Shanghai CI	3,707.5	(1.6)	(6.6)
HSI	24,062.7	(1.0)	(6.1)
STI	5,403.5	(0.4)	16.3

Market Activities	Last Close	% Chg
Vol traded (m shares)	3,060.4	(5.8)
Value traded (RM m)	3,033.5	(0.1)
Gainers	294	
Losers	852	
Unchanged	486	

Top 5 Volume	Last Close	Daily chg %	Vol (m)
ZETRIX	0.065	18.2	120.2
TOPG	0.900	(1.1)	86.3
VSI	0.340	(2.9)	57.8
DNEX	0.470	(5.3)	37.7
NATGATE	2.070	(3.4)	32.5

Top 5 Turnover	Last Close	Daily chg %	Val (RM m)
YTLP	5.480	(3.6)	143.1
PBK	4.740	(0.2)	135.7
CIMB	7.480	(0.3)	119.0
TNB	12.980	0.0	86.8
PMAH	7.210	(0.6)	85.7

Currencies	Last Close	Daily chg %
USD/MYR	4.082	0.0
USD/JPY	158.110	(0.1)
EUR/USD	1.121	(0.1)
USD/CNY	6.691	0.1
US Dollar Index	102.003	(0.5)

Commodities	Last Close	% Chg
Brent (USD/barrel)	105.9	(0.1)
Gold (USD/troy oz)	4,163.4	(0.2)
CPO (MYR/metric t)	4,455.0	(0.5)
Bitcoin (USD/BTC)	82,122.8	0.1

Source: Bloomberg



Macro News

US: Producer prices post largest increase in 4-1/2 years in September

US producer prices increased by the most in 4-1/2 years in September amid rising costs for goods and services, the latest indication of inflation broadening out beyond energy products. The producer price index for final demand jumped 1.3% last month, the largest gain since in March 2022, after an upwardly revised 0.5% rise in August, the Labor Department's Bureau of Labor Statistics said on Thursday. *(Reuters)*

US: Retail sales beat expectations in September on higher gasoline prices

US retail sales increased more than expected in September, boosted by higher gasoline prices, but spending elsewhere was moderate, which could temper economists' expectations for another quarter of robust consumer spending growth. Retail sales rose 0.8% last month after an upwardly revised 1.3% jump in August, the Commerce Department's Census Bureau said on Thursday. Economists polled by Reuters had forecast retail sales, which are mostly goods and are not adjusted for inflation, rising 0.3%. *(Reuters)*

US: Weekly jobless claims rise marginally amid low layoffs

The number of Americans filing new claims for unemployment benefits increased marginally last week amid low layoffs that are keeping the labour market stable. Initial claims for state unemployment benefits rose 1,000 to a seasonally adjusted 199,000 for the week ended Oct 10, the Labor Department said on Thursday. Economists polled by Reuters had forecast 200,000 claims for the latest week. It was the fifth straight week that claims remained below the 200,000 level, consistent with what economists said was a "low-hire, low-fire" labour market. *(Bloomberg)*

US: Oil Set for Strong Weekly Gain

Crude oil traded above \$97 per barrel on Friday and was on track to gain more than 6% for the week amid mounting supply concerns in the Middle East. The US Central Command confirmed that a Singapore-flagged container ship that sank in the Strait of Hormuz earlier this week was hit by an Iranian projectile, adding uncertainty over the recovery of physical oil flows and pushing tanker rates to record highs. Rising tensions between Saudi Arabia and Iran-backed Houthi forces in Yemen further heightened supply risks. *(Trading Economics)*

CN: For Chinese automakers, the road to survival runs through Europe

The record 20 Chinese brands vying for attention at this week's Paris car show reflect a stark reality: as a slowdown at home pushes China's overcrowded auto industry to consolidate, success in Europe could help determine which carmakers survive. With the US market largely closed to Chinese automakers, Europe is by far the most profitable market still open to them, but also one of the toughest to crack. *(Reuters)*

SK: Jobless Rate Hits 2-Year Low

South Korea's seasonally adjusted unemployment rate fell to 2.6% in September 2026 from 2.7% in August, reaching its lowest level since September 2024. The economy added 113,000 jobs, marking three consecutive months of gains over 100,000 and bringing total employment to 29.27 million. Human health and social work activities led job creation, adding 207,000 workers, while manufacturing rose by 16,000, its first increase since June 2024 and ending a 26-month streak of declines. *(Trading Economics)*

MY: Needs stronger fiscal buffers against 'black swan' shocks, says MARC Ratings

With global disruptions now becoming the norm, Malaysia needs deeper fiscal buffers to withstand recurring crises such as geopolitical unrest, pandemics and climate shocks, said MARC Ratings Bhd chief economist Dr Ray Choy. Addressing a post-Budget 2027 webinar on Thursday, Choy argued that so-called "black swan" events can no longer be treated as rare anomalies and should instead be standard considerations in government fiscal planning. *(The Edge)*

Corporate News

ZETRIX: Confirms police investigation into company following Bursa query

Zetrix AI Bhd on Thursday confirmed it is under police investigation following a Bursa Malaysia query about a news report on the probe. In a brief statement filed with the bourse, the company said its operations remained unaffected by the ongoing investigation. It also pledged to cooperate fully with the authorities and said it would communicate any material developments through official announcements. *(The Edge)*

BUSCAP: Says unaware of reason for Oct 14 share price spike

Bus Cap Bhd said it was unaware of any corporate developments that have triggered an unusual market activity (UMA). The bus manufacturer was responding to an Oct 14 UMA query from Bursa Malaysia. In its reply on Thursday (Oct 15), the bus manufacturer said it is not aware of any rumours or other possible explanations for the recent sharp rise in its share price, while acknowledging that there are matters under discussion or negotiation. *(The Edge)*

SUNWAY: Soft-launches final tower of Sunway Velocity 3

Sunway Bhd property arm, Sunway Property, soft-launched Tower C — the final tower of Sunway Velocity 3 — on Oct 10 virtually, following a 98% take-up rate across Towers A and B within two years. In a press statement issued on Wednesday, the developer said the virtual soft launch recorded over 100 online unit bookings through a newly introduced digital portal that allows buyers to complete bookings online after visiting the sales gallery. *(The Edge)*



AWC: Outperforms market after contract win, analysts stay positive

AWC Bhd outperformed the broader market on Thursday after the engineering services firm added another contract related to data centres to its books. The repeat wins are stacking up, Apex Securities said, noting the latest contract worth close to RM40 million is the third given to AWC by Gamuda Bhd. That cements AWC's status as an established subcontractor to the Malaysian construction giant, the house said in a note. *(The Edge)*

CTOS: Resumes descent to new all-time low with more analyst downgrades

CTOS Digital Bhd reversed course toward new all-time low on Thursday as more analysts downgraded the digital services firm following a major cybersecurity incident. Hong Leong Investment Bank and CIMB Securities both cut their recommendations to 'hold' from 'buy' and sharply slashed their target prices, joining Kenanga Investment Bank that lowered its rating on Wednesday. All are warning of material impact to earnings from suspension of services. *(The Edge)*

KIMLUN: Partner to develop RM450 mil serviced apartment project in JB

Astaka Padu Sdn Bhd and Kimlun Corporation Bhd are extending their partnership to jointly develop the RM450 million gross development value Amora Serviced Residence (ASR) in Johor Bahru. According to a press statement issued on Thursday, ASR will be undertaken through Astaka Padu and Kimlun Corp's existing joint venture company, Astaka Kimlun Sdn Bhd, marking its fourth collaboration between both groups following Menara MBJB, Aliva @ Mount Austin and Arden @ One Bukit Senyum. *(The Edge)*

CDB: Pays RM382 mil for spectrum award to boost network capacity and coverage

CelcomDigi Bhd said its wholly owned subsidiary, CelcomDigi Telecommunications Sdn Bhd, has accepted a spectrum award from the Malaysian Communications and Multimedia Commission (MCMC) worth RM381.75 million to strengthen its mobile network. In a filing with Bursa Malaysia, the telecommunications company said the award covers 2x20MHz of spectrum in the 2600MHz band for four years and 2x5MHz in the 900MHz band for five years. *(The Edge)*

VLB: Bags RM225 mil river widening job in Kelantan

Vestland Bhd has secured a contract worth RM225.07 million to undertake river widening and related flood mitigation works in Kelantan. The job, under the Integrated River Basin Development project, was awarded on Thursday by Pembinaan Rizen Sdn Bhd, said Vestland in a bourse filing. *(The Edge)*

HTPADU: Bags RM19.9m extension for immigration system maintenance until 2029

HeiTech Padu Bhd has secured a RM19.87 million contract extension from the Immigration Department to continue maintaining the Malaysian Immigration System (MyIMMs) for another two years. In a bourse filing on Thursday, the information technology services provider said the extension will run from Feb 18, 2027, to Feb 17, 2029. The contract value includes an 8% sales and service tax. *(The Edge)*

DPHARMA: Unit secures HFMD vaccine distribution rights in Malaysia, Singapore and Brunei

Duopharma Biotech Bhd said on Thursday its wholly owned unit has secured exclusive rights to distribute Taiwan-based Enimmune Corp's hand, foot and mouth disease (HFMD) vaccine in Malaysia, Singapore and Brunei, subject to regulatory approval in the three countries. *(The Edge)*

MYCRON: Import duties removal challenge after 'constructive discussion' with authorities

Mycron Steel Bhd has discontinued its bid to mount a court challenge against the government's decision to remove anti-dumping duties on specific imported steel products. In a bourse filing on Thursday, Mycron said it had decided to withdraw its judicial review after "a constructive discussion in relation to the matter" and not due to any court ruling. It said the decision was in the best interest of the group. *(The Edge)*

HCK: Kicks off works on RM1.8 bil e.Sentral SmartCity with award of RM220 mil construction contract

HCK Capital Group Bhd is kicking off construction of the first phase of its RM1.8 billion e.Sentral SmartCity development in Shah Alam, Selangor, by awarding a RM220 million construction contract to Alphazen Contract Sdn Bhd. The entire 10-acre mixed-use development, which is touted to combine smart-living technology with direct access to nature, is located in Damansara West, HCK Capital's bourse filing showed on Thursday (Oct 15). *(The Edge)*

JAKS: Plans RM40.71m placement to raise funds for debt repayment, working capital

JAKS Resources Bhd has proposed to place out up to 10% of its total issued shares to third-party investors to be identified to raise an estimated RM40.71 million for debt repayment and working capital. In a bourse filing Thursday, the construction and energy group said the private placement will involve up to 262.63 million new shares. *(The Edge)*

PJBUMI: Moots RM31m private placement a week after share-split nod

Diversified group PJBumi Bhd is proposing the private placement of up 10% of its shares to raise RM31.1 million for existing and future contracts. In a bourse filing on Thursday, the group said the placement will be made to independent third-party investor(s) to be identified later and may be implemented in tranches within six months of approval by Bursa Securities. *(The Edge)*



CITAGLB: Proposes RM255m capital reduction and share buyback

Citaglobal Bhd has proposed a capital reduction of RM255 million to wipe out its accumulated losses and create retained earnings to enable a share buyback. In its bourse filing on Thursday, the group said the credit arising from the capital reduction will be used to set off the group's accumulated losses of RM217.72 million as at June 30 in full, with the remaining balance of RM37.06 million credited to retained earnings. (The Edge)

Upcoming key economic data releases	Date
US Crude Oil Inventories	Oct 16
US Fed Chair Warsh Speaks	Oct 16
US Initial Jobless Claims	Oct 22
S&P Global Services PMI (Oct)	Oct 23
S&P Global Manufacturing PMI (Oct)	Oct 23
Source: Investing.com	

Stock Selection Based on Dividend Yield

	Sector	Price (RM)	Dividend/Share (RM)	Dividend Yield (%)
Sentral REIT	REIT	0.63	0.06	10.24
MBM Resources	Consumer	4.77	0.46	9.62
CapitaLand Malaysia Trust	REIT	0.56	0.05	9.37
Bermaz Auto	Consumer	0.88	0.09	9.77
YTL Hospital REIT	REIT	0.97	0.09	8.76
KIP REIT	REIT	0.87	0.07	8.16
MAG Holdings	Consumer	1.17	0.09	8.12
Magnum	Consumer	1.17	0.09	8.12
Paramount Corporation	Property	0.97	0.07	7.56
Sports Toto	Consumer	1.29	0.10	7.60
Ta Ann Holdings	Plantation	5.75	0.40	6.96
AI-Salam REIT	REIT	0.57	0.04	7.02
RHB Bank	Finance	7.28	0.49	6.74
Matrix Concepts Holdings	Property	1.09	0.07	6.51
TIME dotCom	Telco	5.40	0.37	6.91

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		
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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