



Daily Newswatch

Market Review

The FBM KLCI rose (+0.2%) to close at 1,602.3 points on Wednesday, on selective bargain hunting, but gains were capped as buying interest shifted towards smaller-cap technology stocks. Technology (+2.8%), Construction (+1.6%) and Property (+1.2%) led sectoral gains, with Vitrox Corp Bhd (+3.7%), UWC Bhd (+4.9%) and Hong Leong (+1.4%) among the stock gainers. Market breadth remained positive, with 623 gainers, 404 losers and 517 unchanged.

Asian markets were mixed on Wednesday. Japan and Korea rebounded as strong US earnings eased concerns over AI spending and bond markets stabilised, while Greater China lagged. South Korea's KOSPI led regional gains (+3.3%) to 5,735.66 points, driven by Samsung Electronics (+5.7%) and SK Hynix (+5.8%). Taiwan's TAIEX rose 1.3% to 46,887.8 points. Japan's Nikkei 225 gained 0.9% to 64,621.2 points, led by Kioxia Holdings (+2.8%), Advantest (+1.7%) and Taiyo Yuden (+1.7%). China's Shanghai Composite fell 0.6% to 3,713.0 points, dragged by Kweichow Moutai (-1.7%), Wuliangye Yibin (-1.2%) and PetroChina (-2.3%). Hong Kong's Hang Seng declined 0.9% to 23,651.9 points, weighed down by CATL (-11.4%) following weaker-than-expected 3Q results, alongside Tencent (-4.8%) and Pop Mart (-4.0%).

European stocks rebounded on Wednesday after two consecutive sessions of losses, with the Euro STOXX 50 rising over 1% and the STOXX Europe 600 gaining less than 1%. Technology stocks led sector gains, rising around 2%, while most major sectors advanced approximately 1%. EssilorLuxottica (healthcare equipment and supplies) surged over 15% on stronger-than-expected revenue, while Carrefour (consumer staples) plunged over 10% after cutting its profit outlook and planned capital expenditure.

Wall Street closed higher on Wednesday, with the S&P 500 rising 0.6%, the Nasdaq gaining 1.1% and the Dow adding 360 points, as strong results from SpaceX and Super Micro Computer boosted AI optimism. SpaceX (+7.8%), Super Micro (+9.5%), and chipmakers Nvidia (+2.5%) and AMD (+3.4%) advanced. Meanwhile, Netflix (-5.3%) fell after issuing a weaker-than-expected profit forecast, while AT&T dropped 6.4% despite beating earnings estimates.

Macro Snapshots

- US:** Brookings paper offers broad plan to shrink Fed balance sheet
- UK:** Borrowing and £3tn debt herald tough budget for govt to 5.09%
- JP:** Bank of Japan's Himino signals readiness to raise borrowing costs
- MY:** Set for tourism fallout from Indonesian haze

Corporate Snapshots

- PGLOBAL:** Higher sales, selling prices lift Pantech Global 2Q net profit 90%
- MHB:** To contest RM57m arbitration claim over Bokor oilfield project in Sarawak
- CLMT:** 3Q net property income rises 15%, declares 1.35 sen distribution per unit
- SUMED:** Putrajaya Holdings ink JV to build private hospital in Putrajaya

Indices	Last Close	Daily chg %	YTD chg %
FBM KLCI	1,602.3	0.2	(4.6)
Dow Jones	52,856.1	0.7	10.0
Nasdaq CI	26,702.9	1.1	14.9
S&P 500	7,757.2	0.6	13.3
SX5E	6,207.5	1.4	7.2
FTSE 100	10,752.9	0.2	8.3
Nikkei 225	64,621.2	0.9	28.4
Shanghai CI	3,713.0	(0.6)	(6.4)
HSI	23,651.9	(0.9)	(7.7)
STI	5,438.0	0.6	17.0

Market Activities	Last Close	% Chg
Vol traded (m shares)	2,765.1	(3.3)
Value traded (RM m)	2,580.5	6.6
Gainers	623	
Losers	404	
Unchanged	517	

Top 5 Volume	Last Close	Daily chg %	Vol (m)
NWEBHD	0.200	0.0	99.8
ZETRIX	0.050	(9.1)	71.5
JAKS	0.170	21.4	65.4
TOPG	0.910	0.0	57.9
VEB	0.195	(2.5)	53.8

Top 5 Turnover	Last Close	Daily chg %	Val (RM m)
PBK	4.730	0.0	26.9
CIMB	7.140	(0.1)	19.8
MAY	9.950	0.0	10.2
RHBBANK	7.730	1.0	15.5
IOI	4.460	(0.2)	14.5

Currencies	Last Close	Daily chg %
USD/MYR	4.081	0.0
USD/JPY	158.150	(0.0)
EUR/USD	1.123	0.0
USD/CNY	6.676	0.0
US Dollar Index	101.670	(0.1)

Commodities	Last Close	% Chg
Brent (USD/barrel)	108.8	0.0
Gold (USD/troy oz)	4,125.5	(0.4)
CPO (MYR/metric t)	4,543.0	0.5
Bitcoin (USD/BTC)	84,025.9	(0.7)

Source: Bloomberg



Macro News

US: Brookings paper offers broad plan to shrink Fed balance sheet

The Federal Reserve can substantially shrink its balance sheet if it overhauls its rate control toolkit to provide liquidity on demand, if those alterations are made in conjunction with rule changes that allow banks to hold lower levels of cash on hand, says a new paper published by the Brookings Institution. *(Reuters)*

US: Mortgage Rates Fall for 1st Time in 11 Weeks

The Federal Reserve can substantially shrink its balance sheet if it overhauls its rate control toolkit to provide liquidity on demand, if those alterations are made in conjunction with rule changes that allow banks to hold lower levels of cash on hand, says a new paper published by the Brookings Institution. *(Mortgage Bankers Association of America)*

US: Heating Oil Falls on Emergency Supply Release

Heating oil prices in the US fell toward \$4.80 a gallon as the Trump administration moved to release emergency fuel supplies to ease rising costs ahead of the midterm elections. The Energy Department announced plans to loan 315,000 barrels from the 1 million-barrel Northeast Home Heating Oil Reserve, with deliveries expected to be completed by November 13. *(Trading Economics)*

US: Aims to loan about a third of heating oil reserve in bid to tame prices

The Trump administration is offering to loan up to nearly a third of the one-million-barrel US emergency heating oil reserve, the Department of Energy said on Wednesday, in a bid to tame surging prices. The move, reported first by Reuters, came after senators from both political parties urged the administration to release heating oil from the reserve. Heating oil is similar in composition to diesel fuel, the price of which has hit records above US\$6.50 per gallon following disruptions in the Middle East caused by the Iran war. *(Reuters)*

MY: MEF urges stricter enforcement, priority for local workers

The Malaysian Employers Federation (MEF) has urged the government to tighten enforcement against the misuse of foreign worker recruitment approvals to ensure foreign workers are employed only in approved sectors and occupations facing genuine labour shortages. In a statement on Wednesday, the MEF said reports of foreign workers being employed as cashiers, retail assistants, service attendants and food service personnel raised concerns over whether existing recruitment policies were being properly implemented and enforced. *(Bernama)*

UK: Borrowing and £3 tril debt herald tough budget for govt to 5.09%

Britain's government borrowed more than expected again in September and public debt surpassed £3 trillion (US\$4.01 trillion or RM16.39 trillion), according to official data that underscored Finance Minister John Healey's challenge in his first budget next week. Economists said the figures added to the likelihood of Healey delivering a cautious set of spending, tax and borrowing plans on Oct 28. *(Reuters)*

UK: House prices decline for a third month, official data show

UK home prices extended their decline in August, according to official figures showing that surging borrowing costs are sapping demand. The Office for National Statistics (ONS) said average values dropped a seasonally adjusted 0.2%, falling for a third straight month. House prices were just 0.9% higher than a year ago, reaching £273,000 (RM1.49 million). On an annual basis, values are growing at their slowest pace since March, shortly after the Middle East conflict began. *(Reuters)*

UK: Inflation Rate Hits 11-Month High

The UK's annual inflation rate rose to 3.5% in September 2026, its highest since October 2025, from 3.1% in August and above expectations of 3.4%. Transport made the largest upward contribution, with inflation rising to 6.6% from 4.6%, driven mainly by motor fuels. Petrol prices rose 8.2 pence per litre month-on-month to 169.5 pence, the highest since August 2022, while diesel prices increased 10.7 pence to 192.5 pence, the highest since July 2022. *(Office for National Statistics)*

CN: Flags Apec's role as key for a challenged global economy

The Asia-Pacific Economic Cooperation (Apec) forum has an increasingly important role in helping the world economy tackle the challenges it faces, China's Finance Minister Lan Foan said on Tuesday. "Apec, as an engine of global economic growth, shoulders greater responsibility," Lan said in remarks at the opening of the Apec Finance Ministers' meeting in Hong Kong. *(Reuters)*

JP: Bank of Japan's Himino signals readiness to raise borrowing costs

Japan's underlying inflation is quite close to the central bank's 2% target and financial conditions remain loose, deputy Bank of Japan (BOJ) governor Ryozi Himino said on Wednesday, signalling readiness to raise borrowing costs. The remarks reinforce market expectations that the BOJ will likely raise rates as soon as December, highlighting the central bank's view that its past rate hikes have yet to tighten financial conditions, leaving scope for further increases. *(Reuters)*



JP: Ex-official expects Japan's central bank to hike rates every quarter

The Bank of Japan (BOJ) will probably keep raising interest rates every three months to contain risks of inflation deviating from its stable price target, according to a former BOJ executive director who oversaw monetary policy. "I expect the next rate hike in December, followed by another in March or April," Eiji Maeda said in an interview on Tuesday. "The pace has now accelerated to roughly one hike every three months, and I think that's appropriate." (*Bloomberg*)

JP: Export growth stays solid, supported by chips, cars

The value of exports rose 16.7% from a year earlier, the Finance Ministry reported Wednesday. That missed economists' median forecast of a 21.3% increase. Exports have risen for 13 straight months. Imports rose 18.9%, compared with economists' estimate of a 20.4% advance. The trade balance was an unadjusted ¥536 billion (US\$3.4 billion) deficit, compared with a ¥1.1 trillion deficit in August. (*Bloomberg*)

MY: Unsubsidised petrol prices fall 30 sen, diesel down 10 sen for coming week — MOF

Malaysia's retail prices for unsubsidised RON95 and RON97 petrol will fall by 30 sen per litre, while unsubsidised diesel prices will decline by 10 sen, from Thursday (Oct 22) to Oct 28. In a statement, the Finance Ministry said the price of unsubsidised RON95 will drop 6.49% to RM4.32 per litre from RM4.62, while RON97 will fall 5.88% to RM4.80 from RM5.10. The price of unsubsidised diesel will decrease 1.93% to RM5.07 per litre from RM5.17. (*Reuters*)

MY: Trade performance remains encouraging despite global uncertainty — Miti

Malaysia has continued to record encouraging trade performance despite facing global uncertainty which includes tariff revisions and international trade restrictions, according to the Ministry of Investment, Trade and Industry (Miti). The challenges also included disruptions to major trade routes, such as the closure of the Strait of Hormuz, which began in late February 2026, it noted. As a reflection of the resilience of the country's trade sector, Miti said, total trade increased by 27% to RM2.514 trillion for the January-August 2026 period, supported by growth in both exports and imports. (*Bernama*)

MY: High capital requirements still hamper Malaysian semiconductor design firms, Johari tells Parliament

High capital requirements remain a major hurdle for Malaysian semiconductor design firms despite being granted subsidised access to UK-headquartered ARM Holdings plc's blueprints for chip components. Minister of Investment, Trade and Industry Datuk Seri Johari Abdul Ghani told the Dewan Rakyat on Wednesday that Xenith Technology (automotive chips), SkyeChip and GreatAsic Technology (data centres), and Oppstar Technology (mini server chips) had been granted Compute Subsystem tokens to use ARM's designs under an initiative introduced by the Economy Ministry in 2025. (*The Edge*)

MY: MEF urges stricter enforcement, priority for local workers

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MY: Set for tourism fallout from Indonesian haze

Australian tourist Cathy Hamilton was experiencing pangs of regret about her visit to Malaysia as she struggled to take pictures of the haze-shrouded PETRONAS Twin Towers. "I tried to get some nice photos of the Twin Towers, Merdeka 118 and other scenery, but I couldn't get good shots as they were all clouded by the haze," said the Sydney native, who also struggled to breathe as smoke from Indonesia's wild fires choked the region. (*Bloomberg*)

Corporate News

SUNMED: Putrajaya Holdings ink JV to build private hospital in Putrajaya

Sunway Healthcare Holdings Bhd and Putrajaya Holdings Sdn Bhd have formalised a joint venture to develop a 325-bed private hospital in Putrajaya, with construction slated to begin in the fourth quarter of 2027. Putrajaya Holdings is the master developer of Putrajaya and is a subsidiary of KLCC (Holdings) Sdn Bhd, which in turn is wholly owned by Petroliaam Nasional Bhd (PETRONAS). (*The Edge*)

SUNREIT: Extend deadline for acquisition of Sunway Hotel Seberang Jaya

Sunway Real Estate Investment Trust and Sunway Healthcare Holdings Bhd have agreed to extend the deadline for fulfilling conditions tied to the RM60 million acquisition of Sunway Hotel Seberang Jaya in Penang. In separate exchange filings on Wednesday, the two companies said the deadline has been moved to July 28, 2027 from the original cut-off date of Oct 28, 2026. They said they have signed a supplemental agreement to revise certain terms of the original sale and purchase agreement dated Oct 28, 2025. The extension, they said, would give Sunway REIT more time to meet the conditions required for the transaction to proceed. (*The Edge*)



ZETRIX: TS Wong's Zetrix AI stake down to 1.841% ahead of Oct 22 deadline to fix sukuk covenant

Zetrix AI Bhd (KL) managing director Wong Thean Soon's stake in the digital services firm has shrunk further, diminishing the prospect of fixing a breached sukuk condition that he remains the company's largest shareholder. According to a bourse filing on Wednesday, Wong disposed of 460,000 Zetrix AI shares the previous day at 5 sen apiece for a total consideration of RM23,000. *(The Edge)*

MALAKOFF: CFO Mohd Nazersham to step down on Nov 30, deputy to take over

Malakoff Corp Bhd announced the resignation of its chief financial officer (CFO) Mohd Nazersham Mansor, after nine years in the role. His resignation, effective Nov 30, is to pursue other opportunities, the independent power producer, which is part of MMC Group, said in a statement on Wednesday. *(The Edge)*

CLMT: 3Q net property income rises 15%, declares 1.35 sen distribution per unit

CapitaLand Malaysia Trust reported a 14.9% increase in third-quarter net property income (NPI), driven by higher rental income amid better contribution from most of its properties. NPI for the three months ended Sept 30, 2026 (3QFY2026) rose to RM79.4 million from RM69.1 million a year earlier, CLMT's bourse filing on Wednesday showed. *(The Edge)*

WPRTS: Signs agreement with Perak government for 1,500 million litres per day water supply scheme

Westports Holdings Bhd reported a record-high revenue from tariff increases and higher income from value-added services, boosting its earnings in the third quarter. Net profit for the three months ended Sept 30, 2026 (3QFY2026) was RM342.56 million compared with RM271.11 million in the same quarter a year earlier, according to an exchange filing. Revenue for the quarter surged 42% year-on-year to RM1.07 billion. *(The Edge)*

AMEREIT: New assets, higher rents lift AME REIT's 2Q income by 11%; 2.19 sen to be distributed per unit

AME Real Estate Investment Trust's second-quarter net property income (NPI) increased by 11.4%, driven by higher rental income and contributions from newly acquired properties. NPI rose to RM16 million in the second quarter ended Sept 30, 2026 (2QFY2027), from RM14.36 million a year earlier. Revenue for the quarter increased 11.9% to RM17.55 million from RM15.68 million. *(The Edge)*

PGLOBAL: Higher sales, selling prices lift Pantech Global 2Q net profit 90%

Pantech Global Bhd's reported a 89.5% jump in second-quarter net profit on the back of higher sales volume and improved average selling prices. Net profit for the three months ended Aug 31, 2026 (2QFY2027) surged to RM19.33 million from RM10.2 million a year earlier. Revenue rose 36.88% to RM173.71 million from RM126.9 million in the corresponding quarter last year, according to the group's Bursa Malaysia filing on Tuesday. *(The Edge)*

MHB: To contest RM57m arbitration claim over Bokor oilfield project in Sarawak

Malaysia Marine and Heavy Engineering Holdings Bhd said it will contest a RM57.3 million arbitration claim brought by its subcontractor over works for the Bokor Phase 3 Redevelopment Project in Sarawak. In a bourse filing on Wednesday, MHB said the Asian International Arbitration Centre (AIAC) has notified the group's solicitors that the arbitration had commenced on Oct 9.. *(The Edge)*

MUDAJYA: Shareholders advised to back RM118 mil Real Jade stake disposal to major shareholder

Shareholders of Mudajaya Group Bhd have been advised to vote in favour of the proposed disposal of a 45% stake in Real Jade Ltd to major shareholder Minyi Holdings Ltd (MHL) for HK\$234 million (RM118.45 million), to settle debts owned to MHL. In a circular to shareholders dated Oct 21, independent adviser SCS Global Advisory (M) Sdn Bhd said the proposed disposal was "fair and reasonable and not detrimental to the interests" of non-interested shareholders. *(The Edge)*



Upcoming key economic data releases	Date
S&P Global Services PMI (Oct)	Oct 23
S&P Global Manufacturing PMI (Oct)	Oct 23
Durable Goods Orders (MoM) (Sep)	Oct 27
CB Consumer Confidence (Oct)	Oct 27
New Home Sales (Sep)	Oct 27
Fed Interest Rate Decision	Oct 29
FOMC Press Conference	Oct 29
Core PCE Price Index (MoM) (Sep)	Oct 29
Core PCE Price Index (YoY) (Sep)	Oct 29
GDP (QoQ) (Q3)	Oct 29
Initial Jobless Claims	Oct 29
Chicago PMI (Oct)	Oct 30
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
Bermaz Auto	Consumer	0.89	0.09	9.72
MBM Resources	Consumer	4.73	0.46	9.66
CapitaLand Malaysia Trust	REIT	0.56	0.05	9.54
YTL Hospital REIT	REIT	0.97	0.08	8.81
KIP REIT	REIT	0.86	0.07	8.49
MAG Holdings	Consumer	0.15	0.09	8.05
Magnum	Consumer	1.17	0.09	8.05
Sports Toto	Consumer	1.27	0.10	7.72
Paramount Corporation	Property	0.97	0.07	7.60
Al-Salam REIT	REIT	0.54	0.04	7.48
Ta Ann Holdings	Plantation	5.67	0.40	7.01
TIME dotCom	Telco	5.30	0.37	6.97
Matrix Concepts Holdings	Property	1.06	0.07	6.96
RHB Bank	Finance	7.37	0.49	6.73

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		
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
SKA Capital Berhad	ACE Market	0.43	72.3	31.1	27 Oct	11 Nov

Source: Bursa Malaysia

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