



Daily Newswatch

Market Review

The FBM KLCI rose 0.4% to close at 1,608.1 points on Thursday, outperforming most regional markets, as bargain hunting continued in selected heavyweights. Energy (+1.3%), Transportation & Logistics (+0.8%), and Plantation (+0.5%), led sectoral gains, with Tenaga Nasional (+2.0%), Maybank (+0.2%) and CIMB (+0.1%) among the top performers. Market breadth, however, was negative with 681 losers outpacing 420 gainers, while 501 remained unchanged.

Major Asia markets closed mostly lower on Thursday despite Wall Street's gains the night before, as weak after-hours earnings from Tesla and Lam Research revived concerns over artificial intelligence (AI) spending, while escalating Middle East tensions further weighed on sentiment. South Korea's KOSPI (-3.5%) led regional losses, dragged by heavyweight chipmakers Samsung Electronics and SK Hynix, while Taiwan's TAIEX fell 1.8%. Japan's Nikkei 225 tumbled 2.7%, weighed down by tech and AI-related names such as Tokyo Electron, SoftBank Group and Kioxia. Hong Kong's Hang Seng slid 3.0%, with Lenovo and Hua Hong Semiconductor among the biggest decliners, while China's Shanghai Composite fell 1.5% as semiconductor stocks were sold off.

European stocks fell sharply on Thursday, with the STOXX 50 dropping around 2% to a more than four-month low and the STOXX 600 losing 1%. Italy declined over 2.5%, Spain around 2%, Germany and France over 1% and the UK under 0.5%. Basic resources plunged over 3.5% as metals tumbled, while banks fell over 3% and technology 2%. Health care and food & beverage gained around 2% each. Hermès (Consumer Discretionary) dropped 5% on flat sales, while SAP (Information Technology) rose over 3.5% on an outlook upgrade and Nestlé (Consumer Staples) gained 2.3% on strong sales.

US stocks closed lower Thursday amid a tech sell-off, as underwhelming earnings renewed AI concerns. The S&P 500 fell 1.2% and the Nasdaq lost 2.6%, while the Dow was flat. Meta sank 7% despite higher earnings, as its credit risk hit a record and capex plans reignited fears of debt-funded AI spending. Alphabet (-3.2%), Microsoft (-2.2%) and Amazon (-4.6%) fell ahead of earnings, while Tesla dropped 3.1% after scaling back spending. Lam Research tumbled 11.8% on a disappointing outlook, while Nvidia (-4.4%), Micron (-6.3%), AMD (-8.1%) and Intel (-8.0%) declined.

Macro Snapshots

- **US:** Gold drops over 1% as oil rally reinforces higher-for-longer rate outlook
- **US:** Weekly jobless claims near 57-year lows to 5.09%
- **CN:** Foreign investment flows into China fall 4.3% y-o-y in first three quarters
- **MY:** Natural gas roadmap still being finalised, launch set for 4Q

Corporate Snapshots

- **RPLANET:** Rises 37% in ACE Market debut following listing transfer
- **AIZO:** RM37m sewage subcontract terminated, faces potential claims
- **BMS:** Scraps RM24m land acquisition after parties fail to agree on terms
- **JTGROUPO:** Led consortium bags RM568.2m TNB contract in Terengganu

Indices	Last Close	Daily chg %	YTD chg %
FBM KLCI	1,608.1	0.4	(4.3)
Dow Jones	52,868.0	0.0	10.0
Nasdaq CI	26,008.9	(2.6)	11.9
S&P 500	7,663.4	(1.2)	11.9
SX5E	6,087.0	(1.9)	5.1
FTSE 100	10,725.0	(0.3)	8.0
Nikkei 225	62,907.8	(2.7)	25.0
Shanghai CI	3,658.0	(1.5)	(7.8)
HSI	22,934.7	(3.0)	(10.5)
STI	5,415.1	(0.4)	16.5

Market Activities	Last Close	% Chg
Vol traded (m shares)	2,890.0	4.7
Value traded (RM m)	2,690.0	4.3
Gainers	420	
Losers	681	
Unchanged	501	

Top 5 Volume	Last Close	Daily chg %	Vol (m)
ZETRIX	0.050	0.0	99.4
RPLANET	0.260	36.8	84.6
JAKS	0.170	0.0	56.1
VSI	0.330	(4.3)	54.3
MAGH	0.160	3.2	44.4

Top 5 Turnover	Last Close	Daily chg %	Val (RM m)
TNB	13.240	2.0	60.6
PBK	4.710	(0.4)	23.5
RHB	7.390	0.3	17.7
CIMB	7.150	0.1	13.6
WPRTS	7.020	3.7	10.8

Currencies	Last Close	Daily chg %
USD/MYR	4.082	0.0
USD/JPY	156.220	0.4
EUR/USD	1.122	0.1
USD/CNY	6.674	0.0
US Dollar Index	101.532	(0.1)

Commodities	Last Close	% Chg
Brent (USD/barrel)	113.0	(0.1)
Gold (USD/troy oz)	4,017.3	(0.2)
CPO (MYR/metric t)	4,559.0	0.2
Bitcoin (USD/BTC)	81,108.1	(0.1)

Source: Bloomberg



Macro News

US: Mortgage rates decline for first time in nine weeks, to 7.32%

Mortgage rates fell for the first time in nine weeks, providing little comfort to sellers facing the slowest US housing market in at least 25 years. The average for a 30-year, fixed loan declined to 7.32% from 7.4%, Freddie Mac said in a statement on Thursday. The rate remains close to the highest level since November 2023. A year ago, it was 6.19%. *(Bloomberg)*

US: Weekly jobless claims near 57-year lows to 5.09%

The number of Americans filing new claims for unemployment benefits dropped to near 57-year lows last week, pointing to low layoffs and labour market stability. Initial claims for state unemployment benefits fell 6,000 to a seasonally adjusted 194,000 for the week ended October 17, the Labor Department said on Thursday. Economists polled by Reuters had forecast 200,000 claims for the latest week. *(Reuters)*

CN: Foreign investment flows into China fall 4.3% y-o-y in first three quarters

Foreign investment flows into China fell 4.3% year-on-year to 548.8 billion yuan (US\$82.2 billion) in the first three quarters, while outbound non-financial direct investment totalled US\$101 billion, China's commerce ministry said on Thursday. The decline in foreign investment narrowed from the 5.3% drop in the first eight months, according to ministry data. *(Reuters)*

CN: Natural disaster losses hit US\$30bn in first nine months of 2026

China recorded 199.36 billion yuan (US\$29.9 billion) in direct losses from natural disasters in the first nine months of 2026, mainly driven by severe typhoons, flooding and landslides, its Ministry of Emergency Management said on Thursday. The losses were down 8% from 217.65 billion yuan over the same period last year. *(Reuters)*

JP: Biggest labour group seeks midpoint target of 6% for 2027 wage increase talks

Japan's largest labour union group Rengo unveiled a more ambitious wage bargaining policy for next year's annual labour negotiations on Thursday, setting a target centred at a pay hike of 6% while maintaining a minimum benchmark of 5% or more. The move marks a shift from previous years, when Rengo called for wage increases of at least 5%, as it seeks to reinforce wage-growth momentum after Japanese workers secured average pay gains above 5% for the past three years amid persistent labour shortages. *(Reuters)*

MY: Natural gas roadmap still being finalised, launch set for 4Q

The government is still finalising a natural gas roadmap that will guide the development of Malaysia's gas sector through energy transition. The target is to launch natural gas roadmap in the fourth quarter of this year, according to the Ministry of Economy. "A roadmap will matter only if it translates into projects, reforms and measurable outcomes," Minister Akmal Nasrullah Mohd Nasir said on Thursday. *(The Edge)*

MY: Palm oil to stay above RM4,600 in November on stronger export, output decline — MPOC

Palm oil prices will stay firm above RM4,600 per tonne next month on stronger exports and seasonal output decline, said a Malaysian industry council. Sustained biodiesel consumption and India's recent reduction in vegetable oil import duties are expected to support demand for Malaysian palm oil over the coming months, the Malaysian Palm Oil Council, or MPOC, said in a statement. *(Bernama)*

MY: Allows first export of raw rare earths under new rules

Malaysia has given the go-ahead for a batch of unprocessed rare earths to be exported, the first approval under a new framework designed to permit testing and potentially encourage investments in local capacity. A single export application for research and development purposes has been permitted by the Department of Mineral and Geoscience Malaysia, the Ministry of Natural Resources and Environmental Sustainability said in response to a Bloomberg query. *(Bloomberg)*

Corporate News

ZETRIX: Sukuk holders to meet on Oct 23 to discuss covenant breach, no payment default yet

Zetrix AI Bhd said no payment default has occurred under its RM2 billion sukuk, as the trustee is scheduled to meet sukuk holders on Friday (Oct 23) to discuss a proposed resolution to a breach involving managing director Wong Thean Soon's shareholding. Thursday (Oct 22) marks the deadline to resolve the breach, which requires Wong to remain the company's largest shareholder. *(The Edge)*

RHBBANK: Gets extension to conclude insurance units merger talks with Tokio Marine

RHB Bank Bhd secured an extension from the regulator to finalise talks with Japan's Tokio Marine on the merger of their general insurance businesses in Malaysia. The extension granted by Bank Negara Malaysia will be until Feb 11, 2027, the country's fourth-largest bank by assets said in a bourse filing on Thursday. RHB had requested for additional time to conclude the discussions last week. *(The Edge)*



TSH: Responds to SGX queries over Indonesian fires, haze, denies operational links

TSH Resources Bhd has responded to queries from the Singapore Stock Exchange (SGX) over recent forest and peatland fires in Indonesia, denying that its plantation operations contributed to the transboundary haze. In a filing with Bursa Malaysia on Thursday, the group said it had not been named or issued any notice by environmental agencies in connection with the recent haze, adding that the SGX enquiry was a general request for information on its fire prevention and management measures. *(The Edge)*

RPLANET: Aims for 10-20% annual earnings growth on rising demand from utility and rail

RedPlanet Bhd is aiming for annual earnings growth of 10% to 20% over the next three to five years, supported by rising demand from utilities and railway sectors. "That's always our target for the company" that mainly provides geographical data analytics and safety systems to detect human intrusion on railway platforms, managing director Lian Wah Seng told reporters in a virtual press conference after the listing ceremony on Thursday. *(The Edge)*

RPLANET: Rises 37% in ACE Market debut following listing transfer

RedPlanet Bhd staged a strong ACE Market debut on Thursday following the information technology services firm's listing transfer from the LEAP Market. The stock opened at 27 sen compared to its initial public offering (IPO) price of 19 sen per share. The stock climbed to as high as 29.5 sen before closing at 26 sen for a 37% gain as nearly 85 million shares exchanged hands. *(The Edge)*

AIZO: RM37m sewage subcontract terminated, faces potential claims

Aizo Group Bhd said its RM36.79 million sewage system upgrading subcontract in Terengganu will not proceed after the project owner cancelled the main contract awarded to its contractor. In a filing with Bursa Malaysia on Thursday, Aizo said the contractor, Puncak Utara Sdn Bhd, had received a termination letter from the project owner, Lembaga Kemajuan Terengganu Tengah (Ketengah). *(The Edge)*

BMS: Scraps RM24m land acquisition after parties fail to agree on terms

BMS Holdings Bhd has terminated its proposed RM23.8 million land acquisition in Cheras after failing to reach an agreement with the vendor on the terms of the deal. The vendor, Chyen Huat Hardware Sdn Bhd, has refunded the earnest deposit to BMS, the group said in a bourse filing on Thursday, adding that both parties will have no further claims against each other. *(The Edge)*

JTGROUP: Led consortium bags RM568.2m TNB contract in Terengganu

A consortium led by Jati Tinggi Group Bhd has secured a RM568.2 million contract from Tenaga Nasional Bhd for a transmission main intake substation in Paka, Terengganu. The group's unit, Jati Tinggi Holding Sdn Bhd, will take a 55% share of the contract, while a unit of Kerjaya Prospek Group Bhd — Kerjaya Prospek (M) Sdn Bhd — will take 25%, and Betapec Sdn Bhd will take the remaining 20%. *(The Edge)*

EXSIMHB: Secures another Binastra job at RM13.5m

Exsim Hospitality Bhd has secured another subcontract from Binastra Corp Bhd, this time worth RM13.49 million, for the supply, fabrication, delivery and installation of carpentry works. According to a Bursa filing on Thursday, Exsim Hospitality's wholly owned unit Exsim Concepto Sdn Bhd secured the award from Binastra's wholly owned construction arm Binastra Builders Sdn Bhd. *(The Edge)*

PAVREIT: Posts flat net property income in 3Q

Pavilion Real Estate Investment Trust reported a net property income (NPI) of RM145.58 million for the third quarter ended Sept 30, 2026 (3QFY2026), little changed from RM145.49 million a year ago. Gross revenue slipped to RM227.29 million from RM227.88 million a year earlier, due to lower advertising income at Elite Pavilion Mall, according to the REIT's bourse filing on Thursday. *(The Edge)*

MERIDIAN: To be suspended on Oct 30, faces delisting after latest bid to delay regularisation plan rejected

Foodie Media Bhd caps its first full financial year as an ACE Market company with a sharp rise in earnings, amid growing demand for digital content, influencer marketing and events. For the financial year ended Aug 31, 2026 (FY2026), the group posted a 67.7% increase in net profit to RM15.67 million from RM9.34 million in FY2025. Revenue climbed 49.6% to RM55.49 million from RM37.09 million. *(The Edge)*

FOODIE: Rides digital advertising wave to cap FY2026 with 68% rise in net profit

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GLOMAC: Chief urges govt to extend stamp duty exemption to home upgraders

Glomac Bhd has urged the government to extend stamp duty exemptions to homeowners who sell their existing property to purchase a larger home. Glomac managing director and chief executive officer Datuk Seri FD Iskandar gave the example of a newly married couple buying an apartment for a start, before seeking a landed property as the family grew. (*The Edge*)

Upcoming key economic data releases	Date
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	0.88	0.09	9.72
MBM Resources	Consumer	4.72	0.46	9.66
CapitaLand Malaysia Trust	REIT	0.56	0.05	9.54
YTL Hospital REIT	REIT	0.96	0.08	8.81
KIP REIT	REIT	0.86	0.07	8.49
MAG Holdings	Consumer	0.16	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	0.55	0.04	7.48
Ta Ann Holdings	Plantation	5.61	0.40	7.01
TIME dotCom	Telco	5.29	0.37	6.97
Matrix Concepts Holdings	Property	1.04	0.07	6.96
RHB Bank	Finance	7.39	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		
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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Published & Printed By:

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