



Daily Newswatch

Market Review

The FBM KLCI rose 0.2% to close at 1,611.6 points on Friday, supported by selective buying in index heavyweights, though sentiment stayed cautious amid a lack of fresh catalysts. Health care (+1.7%), Construction (+0.5%) and Energy (+0.4%) led sectoral gains, with Petronas Chemicals (+3.6%), AMMB Holdings (+1.6%) and 99 Speed Mart (+1.3%) among the top performers. Market breadth was positive, with 528 gainers outpacing 529 losers, while 532 counters closed unchanged. WoW: The local bourse rose 0.2%, driven by Energy (+1.7%), Industrial Products & Services (+1.5%) and Construction (+1.1%), with Petronas Chemicals (+7.6%), Press Metal Aluminium (+3.5%) and YTL Power (+3.3%) among the key performers. Conversely, Technology (-2.6%), Telecommunications & Media (-2.2%), and REIT (-1.4%) led sectoral losses, dragged by Mr DIY (-6.5%), MISC (-5.3%) and CelcomDigi (-4.3%).

Major Asia markets closed mostly higher on Friday, recovering from sharp early losses after Wall Street's AI-led sell-off overnight. South Korea's KOSPI rose 0.3%, rebounding from an intraday drop of more than 4% as SK Hynix gained 4.4%. Hong Kong's Hang Seng climbed 0.7% as tech stocks bounced off a four-month low, while China's Shanghai Composite added 0.9% after state-backed funds stepped in to reverse a morning slide of over 2%. Conversely, Japan's Nikkei 225 slipped 0.3% on continued chip and AI-related selling, while Taiwan's market was closed due to Typhoon Champi. WoW: China's Shanghai Composite posted the smallest regional decline (-0.7%), followed by Taiwan's TAIEX (-2.0%). Meanwhile, South Korea's KOSPI fell 3.8%, while Japan's Nikkei 225 and Hong Kong's Hang Seng both declined 4.0%.

European equities extended losses on Friday as attacks on Saudi Arabia lifted Brent to new highs. STOXX 50 fell 0.3% to a four-month-plus low, while STOXX 600 slipped 0.3% to a two-week low. Germany, UK and France's markets led decline, while Spain and Italy edged up. Sector-wise, Industrials, autos, telecoms and consumer goods fell over 1%, while energy rose 3%. Kering (Luxury Goods stock) plunged 15% on a slump in Gucci sales, Volvo Cars tumbled 25% on sliding China demand, while Safran (Aerospace & Defence stock) fell 10% despite higher revenue. On the upside, L'Oréal gained 5% after beating 3Q estimates. WoW: The STOXX 50 fell 2.2%, while the STOXX 600 declined 1.4%.

US equities closed lower on Friday as elevated oil prices and Middle East escalation fears sustained safe-haven demand after Thursday's sharp sell-off. The S&P 500 and Nasdaq CI slipped 0.5% and 0.2% each, while the Dow Jones shed almost 653 points. Sector-wise, Industrials, communication services and consumer discretionary led declines, while the AI rotation slowed as chipmakers attempted a rebound. Microsoft rose 0.6% and Meta fell 0.5%, while American Express dropped 3.7% despite an earnings beat. WoW: The Dow Jones led (+0.4%), while the Nasdaq CI fell 0.7%, and the S&P 500 fell 0.5%.

Macro Snapshots

- **US:** Business Activity Growth Remains Strong
- **UK:** PMI shows strongest month since February for UK businesses
- **JP:** Core inflation exceeds BOJ target, cements near-term rate hike chance

Corporate Snapshots

- **MALAKOF:** Awards RM34m contract to MMC Corp's engineering arm
- **CDB:** Unit seeks to raise up to RM10b for refinancing, capex, working capital
- **ASTRO:** To sell broadband business to Maxis for up to RM83m

Indices	Last Close	Daily chg %	YTD chg %
FBM KLCI	1,611.6	0.2	(4.1)
Dow Jones	52,215.2	(1.2)	8.6
Nasdaq CI	25,955.3	(0.2)	11.7
S&P 500	7,623.7	(0.5)	11.4
SX5E	6,068.2	(0.3)	4.8
FTSE 100	10,690.4	(0.3)	7.6
Nikkei 225	62,693.2	(0.3)	24.5
Shanghai CI	3,690.5	0.9	(7.0)
HSI	23,093.4	0.7	(9.9)
STI	5,422.2	0.1	16.7

Market Activities	Last Close	% Chg
Vol traded (m shares)	3,185.2	9.9
Value traded (RM m)	2,470.4	(8.5)
Gainers	528	
Losers	529	
Unchanged	532	

Top 5 Volume	Last Close	Daily chg %	Vol (m)
ZETRIX	0.075	50.0	392.8
VSI	0.330	0.0	70.3
TOPG	0.920	4.5	46.3
NHR	0.490	6.5	34.1
MAGH	0.160	0.0	28.9

Top 5 Turnover	Last Close	Daily chg %	Val (RM m)
PMAH	6.730	(3.0)	90.6
YTLP	5.320	0.6	90.0
GAM	4.850	0.4	76.2
WPRTS	6.950	(1.0)	75.0
SDG	5.750	0.3	74.5

Currencies	Last Close	Daily chg %
USD/MYR	4.086	(0.1)
USD/JPY	156.890	(0.0)
EUR/USD	1.121	0.1
USD/CNY	6.670	0.1
US Dollar Index	101.783	(0.0)

Commodities	Last Close	% Chg
Brent (USD/barrel)	115.9	(0.7)
Gold (USD/troy oz)	3,998.3	0.1
CPO (MYR/metric t)	4,587.0	0.8
Bitcoin (USD/BTC)	79,906.8	(0.6)

Source: Bloomberg



Macro News

US: Business Activity Growth Remains Strong

US consumer sentiment edged down to a five-month low in October as high prices and rising interest rates depressed morale. The University of Michigan's final sentiment index eased to 48 from 48.1 in September, according to the survey released on Friday. Even so, that was an improvement from the preliminary reading and topped all estimates in a Bloomberg survey of economists. (*S&P Global*)

US: Brent Hits Over 4-Year High

Brent crude rose above \$116 a barrel on Friday, reaching an over 4-year high as expectations grew that the US could resume strikes against Iran in the coming weeks. US President Trump said Wednesday that Washington was not negotiating with Tehran and that something would happen "fairly soon." Reports indicate that the US and Israel are planning fresh strikes on Iran after the midterm elections. (*Trading Economics*)

US: Consumer sentiment slips to five-month low on inflation

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US: Business activity cools in October; strong demand fuelling price pressures

US business activity slowed modestly in October, though robust demand allowed companies to raise prices for goods and services, a sign that inflation could increase further and remain persistently high in the coming months. S&P Global said on Friday its flash US Composite PMI Output Index, which tracks the manufacturing and services sectors, slipped to 57.6 this month from a five-year high reading of 58.4 in September. (*Reuters*)

US: Gold heads for steep weekly loss as oil prices fuel Fed rate concerns to 5.09%

Gold eased on Friday, headed for its steepest weekly decline in over four months as elevated oil prices bolstered higher-for-longer interest rate expectations, while investors awaited next week's US Federal Reserve (Fed) policy meeting. Spot gold eased 0.3% to US\$4,013.34 per ounce by 0815 GMT, paring losses slightly after touching its lowest level since July 20 earlier in the session. The metal has fallen 3.6% so far this week, putting it on track for its worst week since June. (*Reuters*)

UK: PMI shows strongest month since February for UK businesses

British businesses are having their strongest month for activity since February as new orders grow and artificial intelligence (AI)-related demand picks up, according to a survey published on Friday. Adding to signs of the economy's resilience to the energy price shock from the Iran war, the preliminary S&P Global UK composite purchasing managers index (PMI) rose to 53.1 in October, higher than any forecast among economists polled by Reuters and up from September's 52.0. (*Reuters*)

UK: Retail sales fall as consumer confidence tumbles

British consumers reined in their shopping in September as a warm start to the autumn hurt clothing sales and higher fuel prices ate into household budgets, while separate data showed confidence levels plunged in October. Retail sales volumes dropped by 0.4% in September from August, a bigger decline than a fall of 0.1% expected by most economists in a Reuters poll. (*Reuters*)

CN: Aims to stabilise number of new births with policy support

China should offer more support to families to stabilise the number of new births, the cabinet said, as policymakers seek to address the country's population decline and record-low birth rate. The government should refine policies including those related to marriage, childbirth, child-rearing and education, and optimise taxation, social security and housing to build a "fertility-friendly society", the State Council, or cabinet, said at a meeting on Friday, according to a readout aired by state television. (*Reuters*)

JP: Core inflation exceeds BOJ target, cements near-term rate hike chance

Japan's core consumer inflation exceeded the central bank's 2% target in September for the first time in nine months, data showed on Friday, a sign of broadening price pressure that cements the case for a near-term interest rate hike. The figures underscored how higher fuel costs from the prolonged Middle East conflict, elevated import prices driven by the weak yen and price pressures from robust AI demand were blunting the impact of government fuel subsidies. (*Reuters*)

SG: Home prices climb, rents surge by most since 2023

Singapore's private home prices rose the most in almost two years and rents jumped, in a sign that the market remains buoyant even after a recent slowdown in sales. An index of private residential property surged 1.4% in the three months ended Sept 30, according to final figures released on Friday by the Urban Redevelopment Authority. (*Bloomberg*)



MY: MOF: 2% EPF contribution rate for foreign workers relatively low

The 2% Employees Provident Fund (EPF) contribution rate payable by employers for non-Malaysian workers is relatively low, the Finance Ministry (MOF) said. The ministry said the rate takes into account the need to balance workers' social protection objectives with the costs borne by employers. "The government recognises the challenges employers face from rising business costs, particularly small and medium enterprises (SMEs). (Bernama)

MY: Johor data centres could consume over 90% of peninsula's additional power generation by 2031 — BMI

Johor's booming data centre industry could consume more than 90% of the additional electricity generated in Peninsular Malaysia in the next five years, raising concerns over power supply and grid infrastructure constraints, according to a report by BMI, a Fitch Solutions company. BMI estimated that Johor's data centres would require about 30 terawatt-hours (TWh) of electricity annually by 2031, accounting for 18% of Peninsular Malaysia's total electricity supply, up from 6% in 2026. (The Edge)

MY: Anwar urges industry to embrace technology, innovation to stay competitive

Prime Minister Datuk Seri Anwar Ibrahim has urged the country's industrial sector to be more dynamic and creative in responding to rapid changes in the global economy, particularly through the mastery of new technologies, research and development (R&D), and innovation. He said industrial dynamism required the government and industry players to be prepared to implement changes swiftly, while ensuring that economic policies were effectively implemented. (Bernama)

Corporate News

COMFORT: Reaches RM8.3m settlement with Inland Revenue Board over tax bill

Comfort Gloves Bhd said on Friday it will settle a two-year tax dispute with the Inland Revenue Board for RM8.3 million. The settlement is subject to the finalisation of paperwork, the glove maker said in an exchange filing. Provisions for the settlement amount have been recorded earlier in the financial statements, Comfort Gloves noted. (The Edge)

ZETRIX: Sukukholders fail to reach deal, new meeting planned

Zetrix AI Bhd said it will hold another sukukholders' meeting after parties failed to reach a deal on Friday to address a covenant breach involving its RM2 billion sukuk by the deadline. In a bourse filing, the group said the date of the next meeting has yet to be set. "There was no resolution achieved by all parties during the sukukholders' meeting (on Friday). (The Edge)

ASTRO: To sell broadband business to Maxis for up to RM83m

Astro Malaysia Holdings Bhd is proposing to dispose of its broadband business to Maxis Bhd for up to RM83 million in cash, as the group seeks to refocus resources on its core content, advertising and entertainment businesses. According to Astro's bourse filing on Friday, the group expects a net gain of RM31.4 million from the proposed disposal by its wholly owned subsidiary Measat Broadcast Network Systems Sdn Bhd (MBNS) after taking into account derecognition of net assets. (The Edge)

CDB: Unit seeks to raise up to RM10bn for refinancing, capex, working capital

CelcomDigi Bhd's wholly-owned subsidiary, CelcomDigi Telecommunications Sdn Bhd, has lodged a proposed Islamic medium-term notes (sukuk) programme of up to RM10 billion in nominal value with the Securities Commission Malaysia (SC). Proceeds from the sukuk programme will be allocated for financing capital expenditure, working capital, general funding requirements and corporate purposes of the issuer, its subsidiaries and the CelcomDigi group. (The Edge)

YINSON: Vietnam partner achieve first oil ahead of schedule

Yinson Holdings Bhd said its joint venture with PetroVietnam Technical Services Corp (PTSC) has achieved first oil at Vietnam's Lac Da Vang field ahead of schedule. In a filing with the bourse, the energy infrastructure firm said its newly built, dual-fuel-powered floating storage and offloading vessel, FSO PTSC LDV, achieved first oil at the field in Block 15-1/05 offshore Vietnam on Sept 27, 2026, ahead of its original fourth-quarter target. (The Edge)

MALAKOFF: Awards RM34m contract to MMC Corp's engineering arm

Malakoff Corp Bhd has awarded a RM34.39 million contract for transmission and interconnection works at its waste-to-energy (WTE) facility in Sungai Udang, Melaka, to a subsidiary of its major shareholder. Its subsidiary, Sungai Udang WTE Sdn Bhd, entered into an agreement with MMC Engineering Sdn Bhd, which is a subsidiary of MMC Corp Bhd. (The Edge)

SLVEST: UK-based insurer Prudential plc emerges as substantial shareholder in Solarvest with 5.25% stake

UK-based insurer Prudential plc has emerged as a substantial shareholder in Solarvest Holdings Bhd, with a 5.25% stake in the clean energy and solar photovoltaic specialist. Prudential acquired 51.41 million shares in Solarvest on Oct 21 through funds managed by Eastspring Al-Wara' Investments Bhd, which bought 24.36 million shares, and Eastspring Investments Bhd, which acquired 27.05 million shares. (The Edge)



YTLREIT: Yeoh family board changes continue at YTL Hospitality REIT with two alternate director moves

Two third-generation members of the Yeoh family have taken up alternate executive director roles at YTL Hospitality Real Estate Investment Trust, with Yeoh Keong Shyan switching from representing his aunt to his father, while Yeoh Pei Xien has been newly appointed to the role. Keong Shyan, 40, has been redesignated as alternate executive director to his father, Tan Sri Francis Yeoh Sock Ping, executive chairman of Pintar Projek Sdn Bhd, the manager of YTL Hospitality REIT. *(The Edge)*

HLCAP: Ex-Bursa chief Umar Swift to lead Hong Leong Investment Bank

Datuk Muhamad Umar Swift, the former head of Malaysia's stock exchange, will join Hong Leong Investment Bank Bhd as its managing director and chief executive officer. The appointment is effective Jan 1, 2027, according to a statement from the parent company Hong Leong Capital Bhd on Friday. Muhamad Umar will succeed Lee Jim Leng who is retiring after more than 17 years with the investment bank. *(The Edge)*

REDTONE: Vincent Tan's son named REDtone Digital executive deputy chairman

Datuk Seri Robin Tan Yeong Ching has been appointed executive deputy chairman of REDtone Digital Bhd. In a Bursa Malaysia filing on Friday, the telecommunications company said Tan replaces Syed Ali Shahul Hammed, who stepped down to pursue other commitments. Tan, 52, is the eldest son of tycoon Tan Sri Vincent Tan Chee Yioun, the founder of Berjaya Group, which is REDtone Digital's largest shareholder with a 34.27% stake. *(The Edge)*

AFFIN: Names Doreen Choo as asset management division CEO

Affin Bank Bhd on Friday named industry veteran Doreen Choo Choy Wan as the head of its asset management arm, effective immediately. As chief executive officer, she will lead the division that comprises Affin PHEIM Islamic Asset Management Sdn Bhd and Affin PHEIM Unit Trusts Bhd, the bank said in a statement. *(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	0.62	0.06	10.32
MBM Resources	Consumer	4.75	0.46	9.66
Bermaz Auto	Consumer	0.89	0.09	9.66
CapitaLand Malaysia Trust	REIT	0.56	0.05	9.46
YTL Hospital REIT	REIT	0.97	0.08	8.81
KIP REIT	REIT	0.87	0.07	8.39
MAG Holdings	Consumer	1.17	0.09	8.12
Magnum	Consumer	1.17	0.09	8.12
Sports Toto	Consumer	1.26	0.10	7.78
Paramount Corporation	Property	0.96	0.07	7.60
Al-Salam REIT	REIT	0.55	0.04	7.27
TIME dotCom	Telco	5.25	0.37	7.10
Ta Ann Holdings	Plantation	5.70	0.40	7.02
Genting Malaysia	Consumer	1.12	0.08	6.88
Matrix Concepts Holdings	Property	1.04	0.07	6.83

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		
SKA Capital Berhad	ACE Market	0.43	72.3	31.1	27 Oct	11 Nov
KEB Berhad	ACE Market	0.35	138.5	88.2	02 Nov	16 Nov

Source: Bursa Malaysia



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