

Market commentary

# Equity market review and outlook

October 2025



## Review

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- › October was a busy month for Malaysia, both for news and events. On the 10<sup>th</sup> of Oct 2025, the PM unveiled Budget 2026, focus on restoring fiscal resilience, strengthening economic foundations and uplifting the dignity and livelihoods of the rakyat. A lot of the measures were people centric, with efforts to raise disposable income for households. Later in the month, Malaysia played host to the ASEAN Summit, where we welcomed the leaders of many countries who attended, the most prominent one being US President Trump. Malaysia and US inked Agreement on Reciprocal Trade which includes significant preferential market access for industrial goods and agricultural imports from the US and trade on rare earth. Malaysia continued to see net foreign selling in October of RM2.7 billion, and YTD cumulative net outflow of RM19.2 billion.
- › The KLCI closed the month at 1,609.15, down 0.17% mom. The FBM Small Cap index was up 0.11% for the month, outperforming the KLCI. The best performing sectors were Technology (+9.8%) and Consumer (+3.6%). The worst performing sectors were Construction (-6.0%) and Property (-2.7%). Average value traded on Bursa in October was RM3717m higher by 47% mom.

## Outlook

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- › After an eventful October, November may be full of corporate news, as it is the month for results reporting season. So far, we expect results to be in line, with consensus looking forward to 2026 earnings, since 2025 earnings growth are looking fairly flattish yoy. By the mid to end November we expect newsflow to be dominated with reports on Sabah State elections, which could be an indication on the incumbent government's popularity, which may be important if there is any truth to the ruling coalition considering an early General Election. As we move forward to end of the year, the KLCI generally performs positively in December, as it has done so over the last 10 years consecutively.
- › Domestically, Malaysia is in a favourable position with relatively stable politics compared to some of our other ASEAN peers. The economy continues to be supported by the FDI being realized, domestic direct investments, strong construction activities, solid consumption growth and robust tourism activities. The domestic equity market remains flush with liquidity and dividend yield is attractive. We see any market weakness as opportunities to accumulate fundamentally strong stocks at attractive valuations.

## Index performance & movers

### FBM100 INDEX

START DATE	30-Sep-25	END DATE	31-Oct-25
START	11,722.62	END	11,761.17
NET CHG	38.55		0.33%

Name	Price	Net Chg	% Chg	Name	Price	Net Chg	% Chg
1 Unilever M Bhd	3.53	0.73	26.07 %	1 SP Setia Bhd Group	0.87	-0.19	(17.62)%
2 Inari Amertron Bhd	2.62	0.54	25.96 %	2 Malaysian Resources Corp Bhd	0.45	-0.09	(16.67)%
3 Sam Engineering & Equipment M	4.87	0.99	25.52 %	3 UEM Sunrise Bhd	0.64	-0.11	(14.67)%
4 ViTrox Corp Bhd	4.51	0.77	20.59 %	4 VS Industry Bhd	0.50	-0.09	(14.66)%
5 Nestle Malaysia Bhd	113.00	15.90	16.37 %	5 UIM Corp Bhd	2.48	-0.29	(10.47)%
6 Pentamaster Corp Bhd	4.29	0.56	15.01 %	6 Petronas Chemicals Group Bhd	3.90	-0.45	(10.34)%
7 Kerjaya Prospek Group Bhd	2.79	0.36	14.81 %	7 Bumi Armada Bhd	0.33	-0.04	(9.59)%
8 99 Speed Mart Retail Holdings	3.13	0.40	14.65 %	8 Gamuda Bhd	5.04	-0.48	(8.70)%
9 Sarawak Oil Palms Bhd	3.73	0.46	14.07 %	9 Sime Darby Bhd	2.05	-0.19	(8.48)%
10 Genting Bhd	3.38	0.41	13.80 %	10 Sime Darby Property Bhd	1.35	-0.12	(8.16)%

Source: Bloomberg

Indices	Last Price			MoM Changes		YTD Changes	
	31-Dec-24	30-Sep-25	31-Oct-25	+/-	%	+/-	%
FBMKLCI	1,642.33	1,611.88	1,609.15	-2.73	-0.17%	(33.18)	-2.02%
FBMMES	5,380.44	5,171.31	5,221.39	50.08	0.97%	(159.05)	-2.96%
FBM100	12,265.96	11,722.62	11,761.17	38.55	0.33%	(504.79)	-4.12%
FBM70	18,841.13	16,746.59	17,056.07	309.48	1.85%	(1,785.06)	-9.47%
FBMSCAP	17,963.66	16,652.37	16,670.29	17.92	0.11%	(1,293.37)	-7.20%
FBMEMAS	12,585.51	11,985.89	12,023.36	37.47	0.31%	(562.15)	-4.47%
FBMSHA	12,590.57	12,016.55	12,098.11	81.56	0.68%	(492.46)	-3.91%
FBMHIJRAH	13,409.12	13,061.45	13,109.19	47.74	0.37%	(299.93)	-2.24%
FBMSCAPS	16,744.61	15,879.68	15,884.80	5.12	0.03%	(859.81)	-5.13%
MSCI APxJ (USD)	569.41	699.46	725.31	25.85	3.70%	155.91	27.38%
MSCI ACWI (USD)	841.33	984.78	1,006.23	21.45	2.18%	164.90	19.60%

Source: Bloomberg

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