Financials Weekly

Brought to you by Phillip Capital Sdn Bhd (362533-U) (A member of PhillipCapital)

PhillipCapital
Your Partner In Finance

FBMKLCI 1Wk Chg (1615.6, +4.04)

Our View of The Week: **Mild Bearish**
2 November 2026

Market Commentary

Highlights:

- FBM KLCI bucks regional sell-off, ringgit hits near two-month high
- US stock market rocked as investors dump tech shares; Nasdaq suffers worst day since June
- Japan's Nikkei slumps up to 3% as tech stocks tumble on AI worries
- China's central bank steps up shift toward overnight rate as policy anchor
- Oil jumps 2%, settles at 6-month highs on fears of escalation in Iran
- European shares fall as tech stocks join global sell-off

Spotlight of the week

The FBM KLCI closed higher on Friday, supported by gains in selected plantation heavyweights despite broad market weakness and a regional sell-off. At 5pm, the 30-stock index rose 4.44 points, or 0.27%, to close at 1,615.60, trading within a 14.04-point range between an intraday high of 1,620.76 and a low of 1,606.72. For the week, the benchmark index gained 4.04 points, or 0.25%, from 1,611.56 last Friday. However, it fell 35.57 points, or 2.15%, in October from 1,651.17 at end-September. Market breadth was negative, with 648 losers outpacing 430 gainers, while 501 counters were unchanged. Trading volume stood at 3.152 billion shares worth RM2.680bil.

Oil prices jumped more than 2% on Friday and settled at their highest levels since the end of April, as traders braced for a potential escalation in the Iran war after the US midterm elections, with an attack on a tanker in the Strait of Hormuz highlighting supply risks. Brent crude futures for December , which expired on Friday, settled up $2.76, or 2.4%, at $117.64 a barrel, after touching a high of $118. The more active January contract gained $2.63 to $113.43. US West Texas Intermediate (WTI) crude futures settled $2.12, or 2.08%, higher at $104.12. For the month, Brent finished 13.6% higher, while WTI rose 15.2%.

FKLI is expected to trade with a mild bearish bias this week as regional market sentiment remains cautious following renewed selling pressure in Asian technology stocks and concerns over elevated AI valuations. Meanwhile, rising crude oil prices amid Middle East tensions have added to inflation concerns. Although selective buying in Malaysian banking and plantation stocks supported the local market last week, persistent foreign fund outflows may continue to limit a stronger recovery.

Market Wrap Up

Regional Asia Index :

China's central bank said on Friday it would conduct overnight reverse repo operations every working day starting next Monday, in a step towards making the rate its main policy anchor. The People's Bank of China will carry out the overnight operations through a fixed-rate, quantity-based tender on each business day, with the operating rate currently at 1.25%, it said in a statement. The central bank, which flagged the shift earlier this month, said the move was aimed at further improving its management of short-term interest rates. Hong Kong's Hang Seng index was up 1.53% in the last hour of trade on Friday, while mainland China's CSI 300 closed 1.39% lower at 3,985.50

Japan's Nikkei share average dropped as much as 3% on Friday, led by chip-related stocks, as concerns mounted over the sustainability of spending to fund the AI boom.
Tokyo tracked overnight losses on Wall Street, given additional impetus by late earnings from Amazon.com (AMZN.O), opens new tab and Intel (INTC.O), opens new tab that showed massive cash burns, sending shares of those companies and their peers sharply lower in extended trading.

US & Europe Market :

The Nasdaq Composite tumbled on Friday, while the Dow Jones Industrial Average outperformed as traders moved out of key stocks related to artificial intelligence and into more defensive areas of the market. The tech-heavy Nasdaq lost 2.86% and closed at 25,437.00, posting its worst single-day performance since June. The index was also roughly 8% below its recent high. The blue-chip Dow was down 572.25 points, or 1.09%, to end at 51,770.31. The S&P 500 slid 1.82% to 7,580.07. Selling pressure intensified in afternoon trading as investors took money off the table into month-end and ahead of next week's contentious midterm elections.

European shares were broadly lower in early trading on Friday, dragged lower by the tech sector.Shortly after the opening bell, the pan-European Stoxx 600 was down by 0.3%. The Stoxx 600 Technology index fell 1.9% as tech stocks joined a global rout on the back of

Financial Insights

Indices

Regional Indices	Price	1wk Chg	%	High	Low
FBM KLCI	1615.60	4.04	0.25%	1625.46	1600.45
Nikkei 225	63290.11	596.95	0.95%	64831.29	62094.34
Straits Times Index	5376.74	-45.42	-0.84%	5439.5	5365.13
Hang Seng	23294.42	201.05	0.87%	23400.02	22928.27
S&P / ASX 200	8908.135	112.91	1.28%	8992.7	8722.9
Shanghai Comp	3599.017	-91.46	-2.48%	3708.198	3595.258

US & Europe Indices	Price	1wk Chg	%	High	Low
DJI	51770.31	-444.85	-0.85%	52634.32	51563.76
S&P 500	7580.07	-43.61	-0.57%	7758.43	7527.56
NASDAQ Comp.	25437.00	-518.34	-2.00%	26587.34	25177.33
STOXX Europe 600	646.75	10.98	1.73%	650.87	635.44
DAX	25818.21	636.56	2.53%	26106.19	25217.15

Commodities

Instrument	Price	1wk Chg	%	High	Low
COMEX Gold	3898.9	-109	-2.72%	4097.2	3879.3
WTI Crude	104.12	0.85	0.82%	104.99	99.44
Crude Palm Oil	4681	-137	-2.84%	4803	4596

Currency	Last	Change	%	High	Low
USDMYR	4.0577	-0.03	-0.68%	4.0898	4.0425

2 years FBM KLCI Daily Chart



Source: Bloomberg/ Phillip Capital

FKLI Spot Month Daily Candle Chart



Source: TradingView

Technical Comments (FKLI Spot Month)

FKLI remains in a bearish trend, trading around 1,614 and below its major moving averages. Although prices have rebounded from the recent low of 1,583, the recovery remains limited, with resistance seen at 1,620–1,630, followed by 1,650. Immediate support is located at 1,600, followed by 1,583. Unless FKLI can sustain a breakout above 1,630, the overall technical structure continues to favour downside pressure.

PhillipCapital
Your Partner In Finance

Chong Chia Wei
chong.chiawei@phillipcapital.com.my

Tan Leong Wee
tan.leongwee@phillipcapital.com.my

Syazwan Bin Sahkandar
syazwan.sahkandar@phillipcapital.com.my

Alif Afifi Bin Mohd Saa'ri
alifafifi.saari@phillipcapital.com.my

CONTACT US:

Kuala Lumpur Headquarters:
(+603) 2711 0026
futures_dealing@phillipcapital.com.my

Johor Branch:
(+607) 557 2188
pcjb@phillipcapital.com.my

Kuching Branch:
(+6082) 247 633
pckc@phillipcapital.com.my

Sibu Branch:
(+6084) 377 933
pcsb@phillipcapital.com.my

Kota Damansara Branch:
(+603) 9212 2818
pcsb_enquiry@phillipcapital.com.my

Penang Branch:
(+604) 202 0039
pcpg@phillipcapital.com.my

Malacca Branch:
(+606) 225 0018
pcmk@phillipcapital.com.my

Kota Kinabalu Branch:
(+6088) 335 346
pckb@phillipcapital.com.my

Official Website: www.phillip.com.my
Official Facebook Page: www.facebook.com/PhillipCapitalSdnBhd

DISCLAIMER
This publication is solely for information only. It should not be construed as an offer or solicitation for the subscription, purchase or sale of the futures contracts mentioned herein. The publication has been prepared by Phillip Capital Sdn Bhd on the basis of publicly available information, internally developed data and other sources believed to be reliable. Whilst we have taken all reasonable care to ensure that the information contained in this publication is accurate and the opinions are fair and reasonable, it does not guarantee the accuracy or completeness of this publication. Accordingly, no warranty whatsoever is given and no liability whatsoever is accepted for any loss arising whether directly or indirectly as a result of any person or group of persons acting on such information and advice. This publication was prepared without regard to your specific investment objectives, financial situation or particular needs. Whilst views and advice given are in good faith, you should not regard the publication as a substitute for the exercise of your own judgement and should seek other professional advice for your specific investment needs or financial situations.