

Friday, 19 Sep, 2025

KLA Corporation (KLAC)

Intel Turnaround Proxy

Muhammad Nabil
muhammadnabil@msec.com.my
(603) 2201 2100

KLA Corporation

Company profile

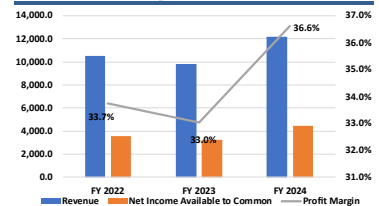
KLA Corporation, founded in 1975 and headquartered in Milpitas, California, designs and markets process control, yield management, and inspection solutions for semiconductors and electronics. Operating through three segments, it provides inspection, metrology, wafer processing, and PCB solutions, enhancing yield, quality, and production efficiency worldwide.

Technical Data

Price	1,046.70
R1	1,135.00
R2	1,150.00
S1	990.00
S2	975.00

M+ Research, Bloomberg

Financial Snapshot



M+ Research, Bloomberg



TradingView

Technical Outlook

Gapping up on heavy volume. In our view, we expect the strong momentum on KLAC to sustain at least towards the anticipated resistance band of around USD1,150.0–1,350.0, given that (i) a strong breakout above the previous resistance band of USD975.0–990.0, and (ii) the MACD histogram is skewed towards positive momentum. However, we expect the price to consolidate first, given that the RSI is now at ~75. A drop below USD 975.0 would invalidate our trading buy setup.

Trading Catalysts

The Intel turnaround. We see NVDA's USD5bn investment in Intel, along with their collaboration on PC and data centre chips, as a positive catalyst for KLA Corp; as it increases the likelihood of Intel developing a viable foundry business, which in turn fuels a stronger long-term Capex outlook to which KLAC's earnings visibility is tied.

Data centre capex registered record highs in 2Q25. While concerns over slowing growth in the chips industry are reflected in AMD's downgrades, we believe there is still plenty of room to grow as AI hyperscalers continue to drive [data centre Capex to record highs](#), with notable investments from Amazon, Google, Meta, Microsoft, and Oracle.

Earnings above consensus, with ramp-up in dividend payouts. Generally speaking, KLA Corporation has outperformed consensus estimates with a quarterly earnings beat, reporting EPS of USD 9.38 and revenue of USD 3.17bn, marking a 23.6% YoY increase. The company also announced a quarterly dividend of USD 1.90 per share.

Peer Comparison

	Ticker	Price (USD)	Market Cap (USD'bn)	P/E (x)	Forward P/E (x)	ROE (%)	NP Margin (%)	RSI	ST Trend
KLAC Corporation	KLAC	1046.7	138.1	31.4	29.8	100.8	33.4	Overbought	Up
Applied Materials	AMAT	189.8	151.2	20.1	20.9	35.6	26.4	Overbought	Up
LAM Research	LRCX	126.3	159.3	22.0	21.4	58.2	29.1	Oversold	Down
Teradyne Inc	TER	118.8	18.9	33.4	28.9	16.9	19.2	Oversold	Down
Avg ex-KLAC Corporation			109.8	25.1	23.7	36.9	24.9		

Source: Bloomberg, M+ Research



**JOIN OUR OFFICIAL TELEGRAM
TO GET THE LATEST MARKET UPDATES**

M+Online
Equipping Traders For The Win

M+Global
Winning The World

Friday, 19 Sep, 2025

Disclaimer

Research analyst(s) of MSSB whom produced this report hereby certifies that the views expressed in this report accurately reflect his/her personal opinions about all of the subject corporation(s) and securities in this report. He/She does not carry out, whether for himself/herself or on behalf of MSSB or any other persons did not receive and will not receive any compensation that is directly or indirectly related or linked to the recommendations or views expressed in this report or to any sales, trading, dealing or corporate finance advisory services or transaction in respect of the securities in this report. As of the report date, the analyst whom prepared this report does not have any interest in the following securities covered in this report, unless otherwise stated.

As of **Friday, 19 Sep, 2025**, the analyst(s), Muhammad Nabil, whose name(s) appears on the front page, who prepared this report, has interest in the following securities covered in this report:

(a) nil.



JOIN OUR OFFICIAL TELEGRAM
TO GET THE LATEST MARKET UPDATES

M⁺Online
Equipping Traders For The Win

M⁺Global
Winning The World