Factor Focus – July 2026

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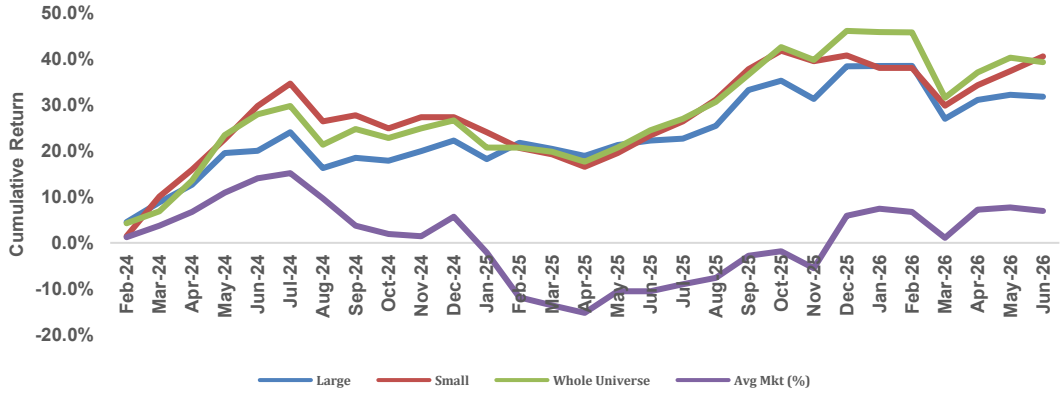
Summary

Our local bourse faced multiple headwinds including heavy foreign fund outflows and heightened political uncertainties in the country in June 2026, with the FBMKLCI and FBMSCAP recording -1.1% and -0.4% respectively. However, our Large- and Small-cap portfolios managed to outperform, recording -0.4% and 3.2% respectively. Cumulatively, our Large, Small, and Combined portfolios recorded 31.7%, 40.5% and 39.2% in returns since inception.

Factor strategy and performance

Our strategy integrates quality and momentum factors. The momentum score is derived from the price change over 6 and 12 months, while the quality scores result from a combination of financial ratios. Since the inception, most of the picks were able to deliver better results as compared to the average benchmark returns.

Table 1: Factor Focus Picks Performance (February 2024 –June 2026)



Source: M+ Research, Bloomberg

Table 2: June 2026 Factor Focus Picks Performance

Big Cap Picks		Small Cap Picks		Whole Universe Picks	
PMETAL	-14.67%	PHARMA	-11.54%	PMETAL	-14.67%
DRBHCOM	-3.70%	THMY	2.91%	DRBHCOM	-3.70%
SUNCON	-0.80%	MSC	-12.90%	SUNCON	-0.80%
VSTECS	-13.17%	TMK	22.80%	VSTECS	-13.17%
KPJ	1.25%	CBHB	9.84%	KPJ	1.25%
BKAWAN	5.71%	HENGYUAN	-16.80%	BKAWAN	5.71%
99SMART	6.97%	PEKAT	4.88%	99SMART	6.97%
KGB	4.85%	MNHLDG	16.53%	KGB	4.85%
IOIPG	-6.19%	BAUTO	10.87%	PHARMA	-11.54%
MRDIY	3.80%	SPTOTO	-4.44%	THMY	2.91%
VITROX	14.62%	INNO	-3.32%	MSC	-12.90%
SIME	2.88%	SWKPLNT	5.25%	TMK	22.80%
GASMSIA	-2.93%	KEYFIELD	-4.38%	CBHB	9.84%
HLIND	-1.16%	EG	7.02%	HENGYUAN	-16.80%
SUNREIT	-3.49%	DUFU	20.79%	PEKAT	4.88%
Average return	**-0.40%**	**Average return**	**3.17%**	**Average return**	**-0.96%**

Source: M+ Research

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Table 3: July 2026 Factor Focus Picks

Large Cap Picks					Small Cap Picks					Combined Picks				
Ticker	Q	M	S	Rating	Ticker	Q	M	S	Rating	Ticker	Q	M	S	Rating
PMETAL	7.9	9.7	7.7	SP	EG	8.0	9.7	7.8	SP	PMETAL	7.9	9.7	7.7	SP
TMK	7.3	9.8	7.2	SP	THMY	7.2	9.8	7.0	SP	TMK	7.3	9.8	7.2	SP
SUNCON	7.4	9.3	6.9	SP	BAUTO	7.5	9.0	6.8	SP	SUNCON	7.4	9.3	6.9	SP
KGB	6.8	9.8	6.7	SP	BAT	8.2	8.1	6.7	SP	KGB	6.8	9.8	6.7	SP
GASMSIA	6.7	9.1	6.1	SP	VSTECS	6.5	9.8	6.4	SP	GASMSIA	6.7	9.1	6.1	SP
HLIND	6.6	9.2	6.1	SP	CBHB	6.3	9.8	6.2	SP	HLIND	6.6	9.2	6.1	SP
IOIPG	6.2	9.8	6.1	SP	PHARMA	9.1	6.7	6.1	SP	IOIPG	6.2	9.8	6.1	SP
VITROX	6.1	9.8	6.0	SP	MNHLDG	5.9	9.8	5.8	SP	VITROX	6.1	9.8	6.0	SP
KPJ	7.0	8.5	5.9	SP	PEKAT	7.9	7.1	5.6	SP	EG	8.0	9.7	7.8	SP
MI	5.9	9.8	5.7	SP	IAB	6.1	9.2	5.6	SP	THMY	7.2	9.8	7.0	SP
SUNWAY	9.0	6.3	5.7	SP	INNO	6.6	8.4	5.5	SP	BAUTO	7.5	9.0	6.8	SP
RANHILL	6.0	9.5	5.7	SP	SPTOTO	8.4	5.9	5.0	SP	BAT	8.2	8.1	6.7	SP
UMSINT	5.8	9.8	5.7	SP	SWKPLNT	5.0	9.6	4.8	SP	VSTECS	6.5	9.8	6.4	SP
LHI	8.9	6.1	5.4	SP	DUFU	5.0	9.7	4.8	SP	CBHB	6.3	9.8	6.2	SP
RHBBANK	6.4	8.5	5.4	SP	NE	4.8	9.7	4.7	SP	PHARMA	9.1	6.7	6.1	SP

Q: Quality, M: Momentum, S: Score, SP: Strong Positive
Source: M+ Research

Added stocks: MI, SUNWAY, RANHILL, UMSINT, LHI, RHBBANK, BAT, IAB, NE

Removed stocks: DRBHCOM, BKAWAN, 99SMART, MRDIY, SIME, SUNREIT, MSC, HENGYUAN, KEYFIELD

Table 4: Performance Statistics

Period	Large	Small	Whole Universe	Avg Mkt (%)	FBMKLCI	FBM70	FBMSCAP	FBMACE
Sep-24	5.7%	3.2%	5.8%	-0.4%	-1.8%	-0.3%	-0.6%	1.2%
Oct-24	-0.6%	-2.7%	-1.7%	-1.8%	-2.9%	1.2%	-2.3%	-3.3%
Nov-24	2.1%	2.5%	2.1%	1.4%	-0.5%	1.5%	2.0%	2.5%
Dec-24	2.3%	0.0%	1.8%	4.3%	3.0%	5.5%	3.9%	4.8%
Jan-25	-7.5%	-5.3%	-8.6%	-5.1%	-5.2%	-6.7%	-5.1%	-3.4%
Feb-25	3.5%	-3.4%	0.0%	-4.8%	1.1%	-5.4%	-6.6%	-8.4%
Mar-25	-1.3%	-1.4%	-0.9%	-1.8%	-3.9%	-2.2%	-2.1%	1.1%
Apr-25	-1.8%	-3.1%	-2.1%	-1.4%	1.8%	-2.0%	-1.6%	-3.7%
May-25	2.5%	3.2%	3.0%	-0.4%	-2.1%	1.6%	0.7%	-1.7%
Jun-25	1.0%	3.8%	3.7%	0.0%	1.6%	1.2%	-0.9%	-1.8%
Jul-25	0.4%	3.1%	2.5%	1.5%	-1.3%	1.3%	2.8%	3.3%
Aug-25	2.8%	4.7%	3.7%	1.4%	4.1%	-0.8%	0.1%	2.2%
Sep-25	7.8%	6.6%	5.9%	4.8%	2.3%	1.6%	5.8%	9.5%
Oct-25	2.2%	4.0%	6.3%	0.7%	-0.2%	1.8%	0.1%	1.0%
Nov-25	-4.0%	-2.3%	-2.8%	-3.7%	-0.3%	-1.2%	-5.7%	-7.6%
Dec-25	6.4%	0.9%	5.4%	1.4%	4.7%	-0.3%	0.4%	1.0%
Jan-26	0.6%	-2.2%	0.3%	1.6%	3.6%	4.2%	1.5%	-3.1%
Feb-26	0.0%	0.0%	0.0%	-0.7%	-1.4%	0.2%	-1.5%	-0.1%
Mar-26	-11.5%	-8.2%	-14.2%	-5.6%	-1.5%	-3.9%	-7.1%	-10.0%
Apr-26	4.1%	4.4%	5.4%	6.1%	1.9%	7.2%	6.6%	8.7%
May-26	1.1%	3.2%	3.2%	0.5%	-2.3%	2.2%	-1.0%	3.2%
Jun-26	-0.4%	3.2%	-1.0%	-0.8%	-1.1%	-3.1%	-0.4%	1.3%
Average	1.1%	1.4%	1.4%	0.2%	0.4%	0.6%	-0.2%	0.2%
Cumulative	31.7%	40.5%	39.2%	6.9%	10.4%	18.2%	-6.1%	5.0%

Source: M+ Research

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Stock recommendation guide	
BUY	The share price is expected to appreciate more than 10% over the next 12 months
HOLD	The stock price is expected to range between -10% and +10% over the next 12 months
SELL	The share price is expected to fall more than 10% over the next 12 months
TRADING BUY	The share price is projected to rise more than 10% over the next three (3) months due to an ongoing or impending corporate development. The stock price is also expected to be volatile over the next three months
TRADING SELL	The stock price is expected to fall more than 10% over the next three months due to an ongoing or impending corporate developments. The stock price is also expected to be volatile over the next three months
NOT RATED	No recommendation is assigned