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Softer Tape, But AI Infrastructure Favoured

Market Review

MY: The local bourse extended its losses as escalating Middle East tensions dampened broader risk appetite, leaving regional markets to enter negative territory, including the FBM KLCI. The Energy (+1.47%) sector outperformed following the spike in oil prices, while Industrial Products (-2.47%) lagged the most.

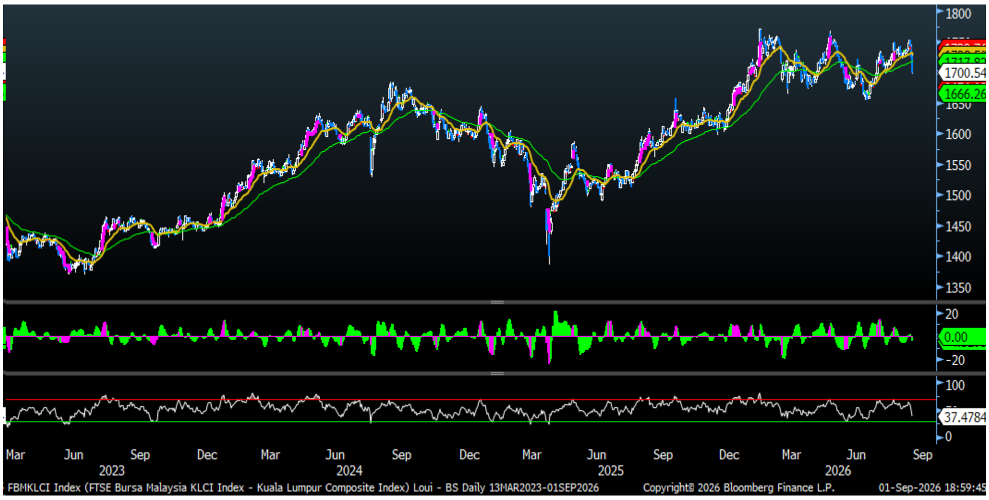
US: Wall Street closed lower on Tuesday as renewed US military strikes on Iran sparked a sharp surge in oil prices, while a deepening sell-off in Treasuries weighed on sentiment. The Dow, S&P 500, and Nasdaq retreated by 0.8%, 0.7%, and 1.0%, respectively, while Brent crude reached USD95.2/bbl.

The Day Ahead

US: Given the sharp re-escalation of the US–Iran conflict in the Middle East, which has reignited energy supply concerns, we expect Wall Street to continue trading on a softer note. Stock-wise, we continue to favour Nvidia (NVDA) following its strong Q2 results and earnings beat, which implies that the global AI infrastructure boom shows no signs of an immediate slowdown. Meanwhile, another stock set to benefit from the AI infrastructure boom is Bloom Energy (BE), underpinned by its USD25bn AI infrastructure power-financing partnership with Brookfield and its 2.8GW procurement framework with Oracle. Lastly, investors could consider Apple (AAPL) following its upcoming foldable iPhone rollout, which will lead to ASP expansion.

MY: Tracking Wall Street's negative overnight performance, we expect the FBM KLCI to trade on a weaker footing. Meanwhile, we continue to favour SPRITZER and LWSABAH as the ongoing haze and forest fires in Kalimantan, Indonesia, should lead to a surge in bottled drinking water consumption nationwide. As TNB has begun building its 500km, 500kV National Grid Backbone transmission line, which is also the country's longest 500kV transmission system, we believe the new grid project will continue to benefit HV substation and underground utility engineering provider MNHLDG. Lastly, riding on the surge in oil prices, traders could target energy counters for short-term trading opportunities.

FBMKLCI Technical Outlook



Bloomberg

Given the continued sell-off in the FBM KLCI, technical indicators have also turned weaker, with the MACD histogram expanding below the zero line, while the RSI is approaching 30. Key resistance lies within 1,715–1,720, with support expected around 1,680–1,685.

Market Scorecard

Key Indices	Last price	Change (%)
Dow Jones	52,766.88	-0.79
S&P 500	7,631.47	-0.71
NASDAQ	26,099.77	-1.03
FBM KLCI	1,700.54	-1.47
FBM Small Cap	15,981.40	-0.85
FBM ACE	5,186.48	-1.20
Construction	305.04	-0.70
Consumer	487.50	-0.70
Energy	789.84	1.47
Financial Services	20,038.47	-1.01
Healthcare	1,490.39	-1.21
Ind Products	184.59	-2.47
Plantation	9,315.28	0.06
Property	1,088.41	-1.54
REITs	895.78	0.16
Technology	73.30	-2.18
Telco & Media	406.70	-0.84
Transport & Logist	1,034.97	0.34
Utilities	1,774.43	-1.13
Trading Vol (m)	5,527.41	9.14
Trading Val (RM m	4,424.02	-32.00
Gainers/ Losers rat	46%	
FKLI	1,672.00	0.51
FCPO (RM)	4,981.00	0.16
Brent oil (USD)	94.65	4.60
Gold (USD)	4,328.82	0.02
USD	4.039	-0.30
GBP	5.4693	-0.30
EURO	4.6826	-0.29
SGD	3.172	-0.26

Trading participation 5-day trend and value ('m)

Institution	Retail	Foreign
242.0	196.1	-338.1

Source: Bloomberg, Bursa Market Place

Company Briefs

IHH Healthcare Bhd (IHH) said India's Delhi High Court has ordered a forensic audit into how the former Fortis Healthcare Ltd promoters, brothers Malvinder Mohan Singh and Shivinder Mohan Singh, lost their shareholding. The audit will also examine how control of Fortis subsequently changed and the roles played by the relevant stakeholders. The order, dated Aug 31, also directs an examination of the transaction through which IHH acquired a controlling stake in Fortis via its investment vehicle Northern TK Venture Pte Ltd (NTK). (The Edge)

Ta Win Holdings Bhd (TAWIN) said its subsidiary Ta Win Industries (M) Sdn Bhd is slashing 39 jobs or 52% of its workforce. The restructuring exercise is aimed at trimming costs, streamlining operations and enhancing its cost structure and overall financial performance to better align with current market demand. (The Edge)

Chin Hin Group Property Bhd (CHGP) has marked the structural topping out of Ayanna Resort Residences in Bukit Jalil, which is on track for unit handover in the second quarter of 2027 after achieving a 95% take-up rate. The residential development comprises two high-rise towers across 4.9 acres of freehold land, featuring 333 units in the 42-storey Block A and 491 units in the 44-storey Block B for a total of 824 units. (The Edge)

Alam Maritim Resources Bhd (ALAM) has proposed to acquire an offshore support vessel for US$19.8m (RM80.8m) in cash to expand its subsea services capabilities in the oil and gas sector. The transaction will be carried out through its wholly owned subsidiary, Alam Maritim (M) Sdn Bhd (AMSB), which will acquire the 65-metre vessel from Singapore-based shipbuilder POET Shipbuilding & Engineering Pte Ltd, according to a bourse filing on Tuesday. (The Edge)

Seni Jaya Corp Bhd (SJC) has secured a seven-year concession to manage and commercialise advertising spaces at the Johor Bahru-Singapore Rapid Transit System (RTS Link). The concession was awarded to SJX Media Sdn Bhd, an indirect 70%-owned subsidiary of Seni Jaya, by Malaysia Rapid Transit System Sdn Bhd (MRTS) — a wholly owned unit of Malaysia Rapid Transit Corp Sdn Bhd (MRT Corp) — under an advertising concession agreement dated Sept 1. (The Edge)

VSTECS Bhd (VSTECS) is cashing out of its seven-year investment in software company ISATEC Sdn Bhd for RM48.75m as it plans to redirect capital towards larger projects in areas including artificial intelligence (AI) and data-centre infrastructure. The information and communications technology distributor is selling its entire 40% stake in ISATEC to Singapore-based Skyform Pte Ltd. (The Edge)

Bintai Kinden Corp Bhd (BINTAI) will receive RM24.7m under a proposed settlement with Universiti Islam Melaka Bhd (UIMB) over its long-standing concession to provide student accommodation at Universiti Islam Melaka (UNIMEL). The proposed arrangement would see UIMB pay the RM24.7m to Bintai Kinden's wholly owned subsidiary, Optimal Property Management Sdn Bhd (OPM), comprising monthly concession payments amounting to RM14.7m and RM10m to recover outstanding concession arrears. (The Edge)

Kee Ming Group Bhd (KEEMING) has secured two subcontracts worth a combined RM40m to provide mechanical and electrical engineering services for warehouses in Penang and Selangor. The contracts were awarded by a third-party contractor principally involved in the supply of steel structures, as well as civil engineering and building construction. (The Edge)

MHC Plantations Bhd (MHC) has declared a special dividend of 10 sen per share for the financial year ending Dec 31, 2026 (FY2026). The special dividend will be paid on Sept 28, with an ex-date of Sept 14 and an entitlement date of Sept 15, according to the plantation group in a bourse filing on Tuesday. For comparison, MHC paid total dividends of 25 sen per share for FY2025, comprising a 22 sen special dividend and a three sen interim dividend. (The Edge)

Alphabet Inc's (GOOGL) Google DeepMind is preparing to launch a new artificial intelligence model as early as Wednesday, targeting a key software development capability where it has lagged behind competitors OpenAI and Anthropic, according to a report from The Wall Street Journal. The model, dubbed Gemini 3.8 Flash and known internally as "Skimaki," reflects a concentrated effort to shore up coding performance in an increasingly competitive enterprise market. (Investing.com)

Dell Technologies (DELL) on Tuesday boosted its annual revenue and profit forecasts for the second time this year, driven by soaring demand for its AI servers from technology companies pouring billions into data centers. Dell, along with smaller rival **Super Micro Computer** (SMCI), is a key supplier of AI-optimized servers that are used by AI cloud providers such as Nscale and CoreWeave for building computing clusters. (Investing.com)

Technical Focus Tracker

Technical Focus Tracker											
No.	Companies	Report Date	Report Date Share Price (RM)	Resistance 1 (RM)	Resistance 2 (RM)	Long Term Target (RM)	Support (RM)	Cut Loss (RM)	Last Price (RM)	Change in Share Price (%)	Comments
1	GOOGL	30-May	171.4	187.5	190.0	190.0	170.0	167.5	339.4	98.0%	Initiated on 30/5/2025
2	PWRWELL	25-Sep	0.6	0.6	0.7	0.7	0.6	0.5	1.0	74.4%	Initiated on 25/9/2025
3	PEKAT	3-Oct	1.8	2.0	2.1	2.1	1.7	1.7	1.8	-0.5%	Initiated on 3/10/2025
4	MU	24-Oct	212.4	229.4	233.6	227.3	194.0	192.0	958.7	351.4%	Initiated on 24/10/2025
5	CCJ	4-Dec	89.3	110.2	138.4	138.4	86.1	79.3	98.8	10.6%	Initiated on 4/12/2025
6	TIGO	19-Dec	53.1	58.4	59.4	59.4	49.8	49.8	93.8	76.7%	Initiated on 19/12/2025
7	SNDK	13-Feb	610.5	693.0	700.0	700.0	542.0	536.0	1566.7	156.6%	Initiated on 13/2/2026
8	HKB	11-Mar	0.2	0.3	0.4	0.4	0.2	0.2	0.6	220.5%	Initiated on 9/4/2026
9	CORAZA	10-Apr	0.6	0.7	0.9	0.9	0.6	0.6	1.2	82.5%	Initiated on 10/4/2026
10	MSC	16-Apr	2.1	2.2	2.7	2.7	2.0	2.0	2.2	5.8%	Initiated on 16/4/2026
11	MCLEAN	23-Apr	0.6	0.7	0.7	0.7	0.6	0.5	0.7	23.5%	Initiated on 23/4/2026
12	SUNCON	14-May	7.2	7.6	7.7	7.7	7.0	6.9	8.0	11.4%	Initiated on 14/5/2026
13	DUFU	29-May	1.9	2.2	2.7	2.7	1.8	1.7	2.6	40.3%	Initiated on 29/5/2026
14	NTAP	16-Jun	162.1	192.8	230.4	230.4	159.3	154.9	185.3	14.3%	Initiated on 16/6/2026
15	ANET	1-Jul	165.6	179.6	195.7	195.7	157.3	154.0	195.7	18.2%	Initiated on 1/7/2026
16	99SMART	8-Jul	3.6	4.0	4.2	4.2	3.6	3.5	3.6	-0.8%	Cut loss on 28/7/2026
17	JTGROUP	22-Jul	0.7	0.7	0.8	0.8	0.7	0.6	0.9	39.1%	Initiated on 22/7/2026
18	MSC	3-Aug	2.0	2.2	2.3	2.3	1.9	1.8	2.2	11.1%	Take profit on 12/8/2026
19	NATGATE	4-Aug	1.3	1.4	1.4	1.4	1.1	1.1	1.7	39.2%	Initiated on 4/8/2026
20	LOGI	5-Aug	107.1	121.0	129.5	129.5	105.3	103.3	99.0	-7.6%	Cut loss on 18/8/2026
21	DE	13-Aug	619.6	639.1	674.4	674.4	608.1	596.8	654.9	5.7%	Initiated on 13/8/2026
22	AUMAS	26-Aug	0.4	0.5	0.6	0.6	0.4	0.4	0.4	-13.6%	Initiated on 26/8/2026

Market Chat Tracker – 3Q26 Stock Picks

3Q26 Stock Picks											
No.	Companies	Report Date	Report Date Share Price (RM)	Resistance 1 (RM)	Resistance 2 (RM)	Support 1 (RM)	Support 2 (RM)	Cut Loss (RM)	Last Price (RM)	Change in Share Price (%)	Comments
1	99SMART	7/4/2026	3.380	4.000	4.130	3.380	3.250	3.190	3.410	0.9%	Initiated on 7-Apr-2026
2	CBHB	7/4/2026	0.495	0.760	0.795	0.630	0.605	0.590	0.885	78.8%	Initiated on 7-Apr-2026
3	KGB	7/4/2026	4.930	9.000	9.500	7.780	7.420	7.270	8.840	79.3%	Initiated on 7-Apr-2026
4	MNHLDG	7/4/2026	1.800	3.400	3.500	2.740	2.590	2.540	3.540	96.7%	Initiated on 7-Apr-2026
5	NE	7/4/2026	0.740	1.300	1.400	1.020	0.940	0.920	1.010	36.5%	Initiated on 7-Apr-2026
6	OSK	7/4/2026	1.640	2.200	2.300	1.870	1.800	1.760	2.020	23.2%	Initiated on 7-Apr-2026
7	SCGBHD	7/4/2026	1.880	2.600	2.700	2.230	2.130	2.090	2.460	30.9%	Initiated on 7-Apr-2026
8	SLVEST	1/7/2026	2.990	3.380	3.500	2.950	2.880	2.820	3.040	1.7%	Initiated on 7-Apr-2026
9	BMGREEN	1/7/2026	1.870	2.150	2.280	1.670	1.540	1.510	1.660	-11.2%	Initiated on 1-Jul-2026
10	EG	1/7/2026	1.830	2.200	2.310	1.720	1.600	1.570	1.830	0.0%	Initiated on 1-Jul-2026
11	KOBAY	1/7/2026	2.570	3.200	3.500	2.330	2.160	2.120	2.270	-11.7%	Initiated on 1-Jul-2026
12	SPRITZER	1/7/2026	2.920	3.300	3.500	2.700	2.500	2.450	3.720	27.4%	Initiated on 1-Jul-2026
13	TIMECOM	1/7/2026	6.170	6.800	7.000	6.000	5.860	5.740	6.010	-2.6%	Initiated on 1-Jul-2026
	Average Return									26.9%	