Fed Hike, Elevated Yields Weigh On Sentiment

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Market Review

MY: The FBM KLCI fell 1.1% to close at 1,679.2 pts amid broad-based profit-taking and cautious regional market sentiment. The Energy sector (+0.8%) emerged as the top outperformer, led by HIBISCS (+4.0 sen) and ARMADA (+1.5 sen), while the Industrial Products & Services sector (-1.5%) lagged behind.

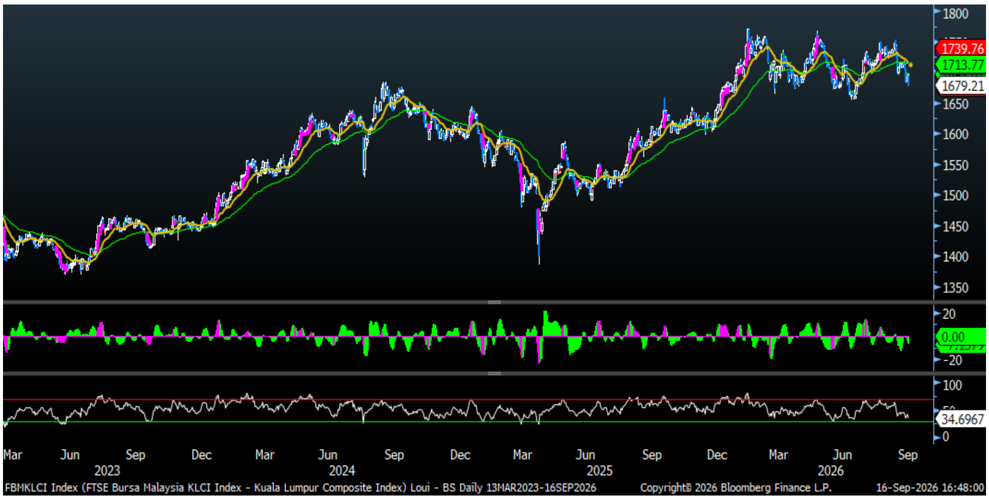
US: Wall Street ended lower as the Dow dropped 1.2%, the S&P 500 slipped 0.4%, while the Nasdaq finished flat following the Fed's first-interest rate hike in three years. Brent crude oil declined, while the US 10-year Treasury yield pushed above 5.0% as Fed Chair Kevin Warsh reiterated concerns over persistent inflation risks.

The Day Ahead

US: We expect Wall Street to trade on a mixed footing as investors digest the Fed's 25bps rate hike and hawkish inflation commentary. While a measured tightening path could provide some relief to growth valuations, elevated oil prices remain an inflationary risk. Intel remains in focus following reports of exploratory talks with SK Hynix to manufacture memory chips in the US, albeit no agreement has been finalised. GE Vernova could benefit from surging demand for gas turbines and power equipment amid AI data-centre expansion, while Bloom Energy remains supported by growing adoption of onsite power solutions for AI infrastructure.

MY: On the domestic front, the FBM KLCI is expected to trade on a mixed footing following overnight weakness on Wall Street, as elevated oil prices, higher Treasury yields and the Fed's latest rate hike keep risk appetite cautious. YTLPOWR could gain traction securing four additional Siemens Energy gas turbine units, taking total reservations to seven with combined capacity exceeding 5,250MW, supporting its power and data-centre expansion. FRONTKN also warrants attention after its subsidiary acquired an industrial property in Tainan for NT$920m (RM118.2m) to support future capacity needs, while UUE is expanding into EHV substation engineering through a new JV with EGP Energy, positioning it to pursue larger grid infrastructure projects.

FBMKLCI Technical Outlook



Bloomberg

The FBM KLCI extended its decline on Tuesday, remaining capped below key moving averages as indicators signal ongoing weakness. The MACD histogram stays entrenched below zero while the RSI slides toward 30. Resistance lies within 1,695–1,710, with support pegged at 1,660–1,675.

Market Scorecard

Key Indices	Last price	Change (%)
Dow Jones	51,461.90	-1.21
S&P 500	7,551.81	-0.45
NASDAQ	25,978.43	-0.01
FBM KLCI	1,679.21	-1.11
FBM Small Cap	15,956.66	-0.77
FBM ACE	5,169.95	-0.88
Construction	308.27	-1.03
Consumer	468.58	-0.92
Energy	821.38	0.79
Financial Services	19,647.40	-0.73
Healthcare	1,581.30	-1.45
Ind Products	186.40	-1.48
Plantation	9,526.20	-0.11
Property	1,056.17	-0.38
REITs	882.20	-0.15
Technology	71.81	-0.80
Telco & Media	407.50	0.04
Transport & Logist	1,008.34	0.00
Utilities	1,767.29	-1.42
Trading Vol (m)	3,340.25	4.87
Trading Val (RM m	3,259.07	16.58
Gainers/ Losers rat		
FKLI	1,660.00	-0.69
FCPO (RM)	4,998.00	0.81
Brent oil (USD)	105.83	-2.69
Gold (USD)	4,263.65	-0.01
USD	4.0763	0.23
GBP	5.4907	0.33
EURO	4.7036	0.22
SGD	3.201	0.32

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

Institution	Retail	Foreign
-76.0	352.0	-276.0

Source: Bloomberg, Bursa Market Place

Company Briefs

AirAsia Group Bhd (AAGB) is seeking to renegotiate terms on a US$200m (RM814.5m) private credit loan from Ares Management Corp and Indies Capital Partners, following two consecutive quarterly losses. To secure some payments for aircraft lessors, the airline has requested to share revenue from certain flight routes that are currently pledged to the private credit lenders for the loan. (The Edge)

YTL Power International Bhd (YTLPOWR) has acquired four additional gas turbine units from Siemens Energy, expanding its total reservations to seven units with a combined capacity exceeding 5,250MW. The expansion is aimed at supporting power generation projects across Malaysia and the region to meet rising energy demands, it said. The deal also strengthens YTL Power's digital infrastructure investments, including data centres, YTL AI Cloud and AI Lab initiatives. (The Edge)

Eco World Development Group Bhd (ECOWLD) has emerged as the top bidder for a residential site at Lorong Puntong/Sin Ming Avenue in Singapore, with an offer of S$208.1m (RM667.62m). This was according to the list of received bids that was published by Singapore's Urban Redevelopment Authority on Tuesday. (The Edge)

KPJ Healthcare Bhd (KPJ) has discontinued its lawsuit with costs against seven of 11 former directors linked to the RM119.92m sale of a 49% stake in Lablink (M) Sdn Bhd in 2018. The lawsuit will now continue against the other four, including former chairman Datuk Kamaruzzaman Abu Kassim and former president and managing director Datuk Amiruddin Abdul Satar. (The Edge)

An individual named Tan Boon Seng has emerged as a substantial shareholder of **Cuscapi Bhd** (CUSCAPI), after purchasing a 10.618% interest in the company via a direct business transaction as existing shareholders exit. No details were provided about Tan, but he now holds 100.326m shares in the company, which he bought at five sen apiece, or a total of RM5.02m. (The Edge)

The takeover offer for **Hextar Retail Bhd** (HEXRTL) has turned unconditional after major shareholders, led by offeror Hextar Portfolio Sdn Bhd and Datuk Ong Choo Meng, collectively secured a 51.03% controlling stake through valid acceptances, existing holdings and external acquisitions. (The Edge)

Pestech International Bhd (PESTEC) said it only learned of a winding-up petition filed by its China-based supplier, Shandong Power Equipment Co Ltd, after being alerted by Bursa Malaysia, who forwarded a copy of the notice that was advertised in two Malaysian newspapers. The petition stems from an alleged debt under an undated corporate guarantee, which Pestech said it is strongly disputing. It has also obtained an injunction to restrain the Chinese firm from enforcing rights under the contested guarantee. (The Edge)

Butterfield FB Bhd (BFIELD) ended its maiden day trade on the ACE Market on Tuesday at 46 sen, two sen or 4.17% lower than its initial public offering price (IPO) of 48 sen. The tea and coffee mix manufacturer began trading at 43 sen, and hit an intraday high of 47 sen and a low of 39.5 sen. Its closing price values the group at RM368m. (The Edge)

Crest Builder Holdings Bhd (CRESBLD) said its unit has won a mechanical and electrical (M&E) subcontract worth RM56.88m from a unit of construction company

Pesona Metro Holdings Bhd (PESONA). The job is for the retail mall and Office Tower 1 components of the Ativo Annexe development in Bandar Sri Damansara, Selangor, that is being developed by TA Global Bhd. (The Edge)

PTT Synergy Group Bhd's (PTT) unit has secured a contract worth RM83.26m from Sime Darby Property Sdn Bhd for earthworks and related tasks for multiple packages in the first phase of Bandar Bukit Raja Stage 4 in Klang, Selangor. (The Edge)

Frontken Corp Bhd's (FRONTKN) 93.4%-owned subsidiary Ares Green Technology Corp (AGTC) has won the tender for an industrial property in Tainan, Taiwan, for NT$920m (RM118.16m). It was bidding for the 16,172 sq m industrial plot, which has seven factory buildings on it, as part of its strategic plan to meet future capacity requirements. (The Edge)

UUE Holdings Bhd (UUE) is establishing a joint venture with a unit of Singapore-listed EGP Energy Corporation Ltd to develop and deliver power-grid infrastructure, including extra-high voltage (EHV) electrical systems. UUE said the partnership marks its expansion from underground utilities into EHV substation engineering and positions the group for large-scale grid projects. (The Edge)

VPT, a subsidiary of **HEICO Corporation** (HEI), has launched its FLX Series configurable DC-DC converter power solution designed to consolidate multiple converter modules into a single assembly for military, avionics, and space applications. The housing supports bus voltages of 28 V, 50 V, and 270 V with output power ranging from 1 W to 5,000 W, operates continuously from -55°C to +110°C, and offers radiation capabilities up to 100 krad(Si) for space deployments while meeting MIL-STD-461 EMI standards. (Investing.com)

BOS Better Online Solutions Ltd. (BOSC) announced that its Supply Chain Division received a $1.2m purchase order from a European defense customer for delivery in 2027 and 2028. The contract expands the company's existing backlog, which rose 30% from year-end 2025 to reach $31m as of June 30, 2026, as the firm capitalizes on rising European defense spending and international sales channels. (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	345.0	101.3%	Initiated on 30/5/2025
2	PWRWELL	25-Sep	0.6	0.6	0.7	0.7	0.6	0.5	1.0	71.7%	Initiated on 25/9/2025
3	PEKAT	3-Oct	1.8	2.0	2.1	2.1	1.7	1.7	2.0	12.8%	Initiated on 3/10/2025
4	MU	24-Oct	212.4	229.4	233.6	227.3	194.0	192.0	927.6	336.7%	Initiated on 24/10/2025
5	CCJ	4-Dec	89.3	110.2	138.4	138.4	86.1	79.3	91.2	2.1%	Initiated on 4/12/2025
6	TIGO	19-Dec	53.1	58.4	59.4	59.4	49.8	49.8	95.8	80.5%	Initiated on 19/12/2025
7	SNDK	13-Feb	610.5	693.0	700.0	700.0	542.0	536.0	1530.9	150.8%	Initiated on 13/2/2026
8	HKB	11-Mar	0.2	0.3	0.4	0.4	0.2	0.2	0.6	212.5%	Initiated on 9/4/2026
9	CORAZA	10-Apr	0.6	0.7	0.9	0.9	0.6	0.6	1.0	70.0%	Initiated on 10/4/2026
10	MSC	16-Apr	2.1	2.2	2.7	2.7	2.0	2.0	1.8	-16.7%	Initiated on 16/4/2026
11	MCLEAN	23-Apr	0.6	0.7	0.7	0.7	0.6	0.5	0.7	20.0%	Initiated on 23/4/2026
12	SUNCON	14-May	7.2	7.6	7.7	7.7	7.0	6.9	7.1	-1.7%	Initiated on 14/5/2026
13	DUFU	29-May	1.9	2.2	2.7	2.7	1.8	1.7	2.5	33.7%	Initiated on 29/5/2026
14	NTAP	16-Jun	162.1	192.8	230.4	230.4	159.3	154.9	189.9	17.2%	Initiated on 16/6/2026
15	ANET	1-Jul	165.6	179.6	195.7	195.7	157.3	154.0	192.8	16.4%	Initiated on 1/7/2026
16	JTGROUP	22-Jul	0.7	0.7	0.8	0.8	0.7	0.6	0.9	34.3%	Initiated on 22/7/2026
17	NATGATE	4-Aug	1.3	1.4	1.4	1.4	1.1	1.1	1.7	29.2%	Initiated on 4/8/2026
18	DE	13-Aug	619.6	639.1	674.4	674.4	608.1	596.8	684.0	10.4%	Initiated on 13/8/2026
19	AUMAS	26-Aug	0.4	0.5	0.6	0.6	0.4	0.4	0.4	-7.5%	Initiated on 26/8/2026
20	MRVL	11-Sep	234.6	316.9	329.9	329.9	223.4	205.2	221.7	-5.5%	Initiated on 11/9/2026
21	C	14-Sep	137.4	146.8	184.4	184.4	134.5	131.4	136.2	-0.9%	Initiated on 14/9/2026
22	SNX	14-Sep	261.8	286.4	302.1	302.1	267.0	252.9	262.5	0.3%	Initiated on 14/9/2028

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	3.140	-7.1%	Initiated on 7-Apr-2026
2	CBHB	7/4/2026	0.495	0.760	0.795	0.630	0.605	0.590	1.000	102.0%	Initiated on 7-Apr-2026
3	KGB	7/4/2026	4.930	9.000	9.500	7.780	7.420	7.270	8.480	72.0%	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	1.000	35.1%	Initiated on 7-Apr-2026
6	OSK	7/4/2026	1.640	2.200	2.300	1.870	1.800	1.760	1.910	16.5%	Initiated on 7-Apr-2026
7	SCGBHD	7/4/2026	1.880	2.600	2.700	2.230	2.130	2.090	2.500	33.0%	Initiated on 7-Apr-2026
8	SLVEST	1/7/2026	2.990	3.380	3.500	2.950	2.880	2.820	3.230	8.0%	Initiated on 7-Apr-2026
9	BMGREEN	1/7/2026	1.870	2.150	2.280	1.670	1.540	1.510	1.560	-16.6%	Initiated on 1-Jul-2026
10	EG	1/7/2026	1.830	2.200	2.310	1.720	1.600	1.570	1.680	-8.2%	Initiated on 1-Jul-2026
11	KOBAY	1/7/2026	2.570	3.200	3.500	2.330	2.160	2.120	2.100	-18.3%	Initiated on 1-Jul-2026
12	SPRITZER	1/7/2026	2.920	3.300	3.500	2.700	2.500	2.450	3.700	26.7%	Initiated on 1-Jul-2026
13	TIMECOM	1/7/2026	6.170	6.800	7.000	6.000	5.860	5.740	5.910	-4.2%	Initiated on 1-Jul-2026
	Average Return									25.8%	

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