

FOMC Minutes Fuel Rate Hike Concerns

Market Review

MY: The local bourse traded on a cautious note sentiment was dragged by selling pressure within the banking heavyweights as JP Morgan downgraded selected banking stocks. Sector wise, Construction outperformed, led by GAMUDA and IJM, while Financials lagged the most.

US: Wall Street ended lower on Wednesday, with the Dow falling 0.7%, while the S&P 500 and Nasdaq each declined 0.2%, as elevated Treasury yields and the latest Fed minutes reinforced rate-hike concerns. The 10-year Treasury yield climbed as high as 5.36% before easing to 5.28%, while Brent crude settled at USD100/bbl.

The Day Ahead

US: Elevated Treasury yields and renewed rate-hike concerns could keep investors cautious, following FOMC minutes which showed that most participants assessed another rate increase would likely be appropriate by year-end. With the 10-year Treasury yield near 5.3%, defensive positioning could persist, although AI-related names with strong earnings visibility may remain resilient. **FLEX** stands out after raising its FY27 adjusted EPS guidance to USD4.42–4.74, implying 39% YoY growth at the midpoint, while its planned Axiom spin-off and USD2.0bn strategic investment further reinforce its AI infrastructure exposure. Meanwhile, Amazon (AMZN) could remain in focus ahead of the FCC's 29 October vote on a proposal to advance a 25MHz spectrum auction to support direct-to-device satellite services.

MY: On the local front, we expect domestic equities to remain selective ahead of Budget 2027 on 9 October, with infrastructure and earnings visibility in focus. HKB could attract interest following a sharp 3QFY26 recovery, with revenue rising 93.4% YoY to RM49.5m and net profit reaching RM3.0m, while its order book has expanded to about RM851m. Meanwhile, JTGROU offers fresh power infrastructure exposure after securing RM15.7m in TNB contracts for underground cable works and a submarine power cable monitoring system, bringing its unbilled order book to RM1.1bn.

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Market Scorecard

Key Indices	Last price	Change (%)
Dow Jones	51,79.87	-0.66
S&P 500	7,801.77	-0.22
NASDAQ	27,538.69	-0.22
FBM KLCI	1611.78	-1.32
FBM Small Cap	16,051.90	-0.03
FBM ACE	5,622.38	-0.65
Construction	32130	122
Consumer	453.67	-0.87
Energy	838.97	-0.21
Financial Services	18,563.32	-2.65
Healthcare	1546.56	-2.46
Ind Products	179.88	-0.29
Plantation	8,976.04	-0.73
Property	998.45	-0.40
REITs	879.71	0.19
Technology	80.32	1.12
Telco & Media	390.54	-0.40
Transport & Logisti	1002.95	0.08
Utilities	1813.91	0.23
Trading Vol (m)	3,831.65	-8.26
Trading Val (RM m)	3,516.46	19.21
Gainers/ Losers rat	76%	
FKLI	160100	-0.25
FCPO (RM)	4,553.00	0.64
Brent oil (USD)	100.20	-0.38
Gold (USD)	4,111.23	-0.07
USD	4.0872	-0.04
GBP	5.4071	0.04
EURO	4.5765	0.36
SGD	3.1938	0.05
Trading participant	3,192.8	0.1441
Institution Retail Foreign		
186.3 220.1 -406.4		

Source: Bloomberg, Bursa Market Place

FBMKLCI Technical Outlook



Bloomberg

Surging selling pressure dragged the FBM KLCI lower, keeping the benchmark below key moving averages. Momentum indicators point to early bottoming efforts, with the MACD forming a rounding bottom while the RSI remains at oversold levels. Overhead resistance sits at 1,626–1,641, with support established at 1,581–1,596.



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Company Briefs

Yinson Azalea Production Pte Ltd, an indirect wholly-owned subsidiary of **Yinson Holdings Bhd** (YINSON), said it has officially priced US\$1.46bn (RM6.21bn) in senior secured notes for its Agogo floating production, storage and offloading (FPSO) vessel. This pricing marks an industry record as the largest-ever issuance size for an FPSO project bond, Yinson Production said. The notes were priced at 98.16% of their principal amount with a fixed annual coupon of 6.52%, payable semi-annually. They carry a 13.3-year fully amortising maturity schedule and are scheduled for settlement on Oct 21. (The Edge)

Northern Solar Holdings Bhd (NORTHERN) has secured a RM34m engineering, procurement, construction and commissioning (EPCC) contract to develop a 9.5MW large-scale solar photovoltaic plant. The latest award follows RM119.4m worth of large-scale solar contracts secured in March 2026, bringing the amount of jobs it has secured this year to about RM153.4m. Northern Solar's unbilled order book stood at RM189.3m as at end-June 2026. (The Edge)

Aemulus Holdings Bhd (AEMULUS) has secured new orders worth US\$3.86m (RM15.77m) from an undisclosed Singapore customer for test systems used in the data centre and artificial intelligence (AI) market. The orders were secured by its wholly-owned subsidiary Aemulus Corporation Sdn Bhd and are expected to be fulfilled within 12 months. Revenue from the orders will be recognised progressively as the systems are delivered. (The Edge)

Datasonic Group Bhd (DATASONIC) has terminated its proposed acquisition of a RM28.5m industrial property in Petaling Jaya after failing to get Fire and Rescue Department approval for fire safety equipment. The termination notice was issued by Datasonic Technologies Sdn Bhd (DTSB), the group's wholly-owned subsidiary, to the vendor Pixio Sdn Bhd on Tuesday. Under the termination, Pixio is required to refund the RM2.85m deposit paid towards the purchase price to DTSB or its solicitors within 14 days of receiving the termination notice. (The Edge)

CIMB Group Holdings Bhd (CIMB), Malaysia's second-largest lender by assets, fell to its lowest in three months as banking stocks fell amid persistent concerns over rising bond yields. The surging long-dated bond yields will erode trading gains and capital positions, which could affect dividends at select banks, JPMorgan said in a note on Southeast Asian banking stocks. Cost of funds could rise and investment banking revenue could take a hit as well, the research house noted. For Malaysia, JPMorgan downgraded CIMB to "underweight" from "neutral" and **AMMB Holdings Bhd** (AMMB) to "neutral" from "overweight". (The Edge)

Bursa Malaysia has approved **PJBumi Bhd**'s (PJBUMI) proposed share split, expected to boost trading liquidity and attract a broader investor base by lowering trading prices. PJBumi said Bursa Malaysia's approval for the proposed share split is subject to several conditions, including full compliance with the relevant provisions of the Main Market Listing Requirements (Main LR) governing the exercise. The group said it is also required to notify Bursa Malaysia upon completion of the proposed share split and submit a certified true copy of the shareholders' resolution approving the exercise before the listing and quotation of the subdivided shares. (The Edge)

Bursa Malaysia has dismissed **MMM Group Bhd**'s (MMM) appeal against the rejection of its proposed regularisation plan, paving the way for the company to be delisted on Oct 12. The Practice Note 17 (PN17) company said Bursa's Listing Committee decided that the grounds raised in its appeal did not justify departing from its decision previously. Accordingly, the Listing Committee upheld Bursa's July 10 decision to reject MMM Group's regularisation plan to exit its PN17 status. (The Edge)



International Business Machines Corporation (IBM) was selected for Stage C of DARPA's Quantum Benchmarking Initiative (QBI) to evaluate its path toward building a fault-tolerant quantum computer. The third phase transitions from conceptual planning to independent hardware, systems engineering, and architecture testing as IBM works toward its target of delivering its first fault-tolerant system, IBM Quantum Starling, by 2029. (Investing.com)

IonQ Inc. (IONQ) advanced to Stage C of DARPA's Quantum Benchmarking Initiative under an agreement with a potential value of up to USD 300 million running through 2029. The phase involves independent verification and validation of multiple generations of IonQ's Superion quantum systems against its technical roadmap as the company scales manufacturing and deployment for utility-scale applications. (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	170.5	187.5	190.0	190.0	170.0	167.5	350.5	105.5%	Initiated on 30/5/2025
2	PWRWELL	25-Sep	0.6	0.6	0.7	0.7	0.6	0.5	1.2	109.4%	Initiated on 25/9/2025
3	PEKAT	3-Oct	1.8	2.0	2.1	2.1	1.7	1.7	2.9	58.2%	Initiated on 3/10/2025
4	MU	24-Oct	212.2	229.2	233.4	227.3	194.0	192.0	1088.0	412.8%	Initiated on 24/10/2025
5	TIGO	19-Dec	50.6	58.4	59.4	59.4	49.8	49.8	90.8	79.4%	Initiated on 19/12/2025
6	SNDK	13-Feb	610.5	693.0	700.0	700.0	542.0	536.0	1692.4	177.2%	Initiated on 13/2/2026
7	HKB	11-Mar	0.2	0.3	0.4	0.4	0.2	0.2	0.7	276.9%	Initiated on 9/4/2026
8	CORAZA	10-Apr	0.6	0.7	0.9	0.9	0.6	0.6	1.4	127.0%	Initiated on 10/4/2026
9	MCLEAN	23-Apr	0.6	0.7	0.7	0.7	0.6	0.5	0.8	29.2%	Initiated on 23/4/2026
10	SUNCON	14-May	6.9	7.6	7.7	7.7	7.0	6.9	7.5	8.3%	Initiated on 14/5/2026
11	DUFU	29-May	1.8	2.2	2.7	2.7	1.8	1.7	3.4	84.2%	Initiated on 29/5/2026
12	NTAP	16-Jun	161.6	192.8	230.4	230.4	159.3	154.9	235.8	45.9%	Initiated on 16/6/2026
13	ANET	1-Jul	165.6	179.6	195.7	195.7	157.3	154.0	215.8	30.4%	Initiated on 1/7/2026
14	JTGROU	22-Jul	0.7	0.7	0.8	0.8	0.7	0.6	1.4	113.5%	Initiated on 22/7/2026
15	NATGATE	4-Aug	1.2	1.4	1.4	1.4	1.1	1.1	1.9	49.0%	Initiated on 4/8/2026
16	DE	13-Aug	618.1	639.1	674.4	674.4	608.1	596.8	656.9	6.3%	Initiated on 13/8/2026
17	AUMAS	26-Aug	0.4	0.5	0.6	0.6	0.4	0.4	0.3	-14.8%	Cut loss on 18/9/2026
18	MRVL	11-Sep	234.6	316.9	329.9	329.9	223.4	205.2	284.7	21.3%	Initiated on 11/9/2026
19	C	14-Sep	137.4	146.8	184.4	184.4	134.5	131.4	127.3	-7.3%	Initiated on 14/9/2026
20	SNX	14-Sep	261.8	286.4	302.1	302.1	267.0	252.9	271.5	3.7%	Initiated on 14/9/2026
21	VERDANT	22-Sep	0.2	0.3	0.3	0.3	0.2	0.2	0.3	20.0%	Reached TP 2 on 29/9/2026
22	NOW	22-Sep	141.8	162.5	192.4	192.4	135.2	130.9	137.9	-2.8%	Initiated on 22/9/2026
23	FLEX	7-Oct	118.4	142.6	166.4	166.4	114.9	104.0	119.3	0.8%	Initiated on 7/10/2026

Market Chat Tracker - 4Q26 Stock Picks

4Q26 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	CBHB	7/4/2026	0.494	1.200	1.240	1.030	1.000	0.980	1.12	126.7%	Initiated on 7-Apr-2026
2	CHEEDING	2/10/2026	0.630	0.730	0.750	0.585	0.554	0.625	0.625	-0.8%	Initiated on 2-Oct-2026
3	HKB	2/10/2026	0.660	0.715	0.750	0.625	0.595	0.578	0.735	11.4%	Initiated on 2-Oct-2026
4	KOSSAN	2/10/2026	1.140	1.330	1.370	1.130	1.080	1.060	1.150	0.9%	Initiated on 2-Oct-2026
5	CLOUDPT	2/10/2026	0.500	0.600	0.635	0.470	0.450	0.441	0.505	1.0%	Initiated on 2-Oct-2026
6	INFOM	2/10/2026	1.790	1.980	2.050	1.550	1.470	1.440	1.880	5.0%	Initiated on 2-Oct-2026
7	OGX	2/10/2026	0.435	0.600	0.625	0.405	0.380	0.372	0.465	6.9%	Initiated on 2-Oct-2026
8	QES	2/10/2026	0.590	0.655	0.675	0.555	0.540	0.529	0.645	9.3%	Initiated on 2-Oct-2026
9	SCICOM	2/10/2026	2.330	2.540	2.590	2.170	2.110	2.070	2.290	-1.7%	Initiated on 2-Oct-2026
10	THMY	2/10/2026	2.170	2.400	2.500	1.970	1.880	1.840	2.320	6.9%	Initiated on 2-Oct-2026
11	UMSINT	2/10/2026	8.770	9.750	10.000	2.330	2.160	7.980	9.300	6.0%	Initiated on 2-Oct-2026
12	UWC	2/10/2026	7.090	7.760	8.000	6.560	6.320	6.190	8.040	13.4%	Initiated on 2-Oct-2026
13	VITROX	2/10/2026	10.000	11.240	11.500	9.570	9.260	9.070	11.220	12.2%	Initiated on 2-Oct-2026
Average Return										15.2%	

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