

Markets Eye CPI for Fresh Direction

Market Review

MY: While global crude oil prices touched a two-week high, the local bourse remained resilient, buoyed by gains in banking heavyweights such as CIMB and PBBANK. Sector-wise, Healthcare (+1.74%) outperformed, led by IHH and KPJ, while Technology (-4.07%) lagged the most.

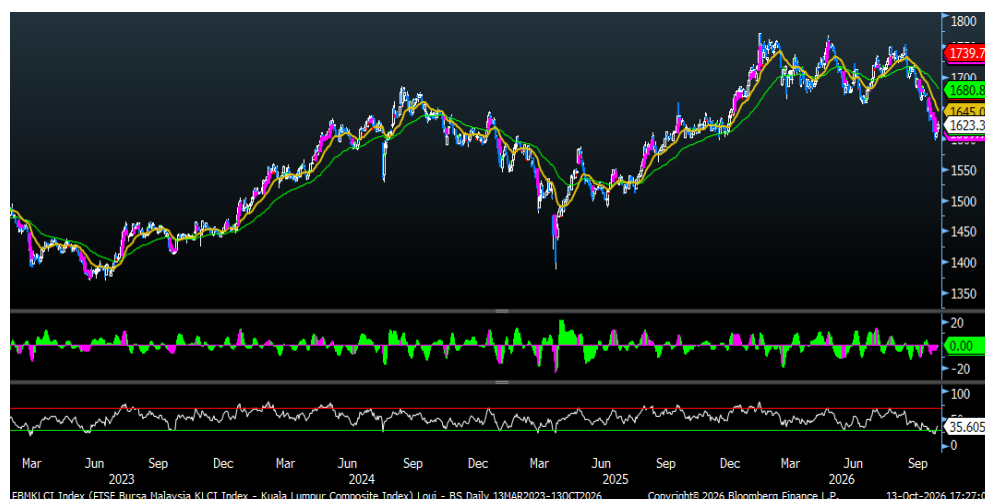
US: Wall Street ended marginally lower on Tuesday, as earlier gains in the Dow faded following a wave of mixed earnings. Pressured by concerns over Chinese competition in AI memory chips and muted oil price movements, the S&P 500 settled virtually flat, while the Dow and Nasdaq declined 0.4% and 0.2%.

The Day Ahead

US: With chip stocks extending losses and mixed big-bank earnings, we expect Wall Street to remain cautious ahead of Wednesday's September CPI, with 10-year Treasury yields near 5.2%. We favour ServiceNow, as its AI business surpassed USD1bn in annual contract value, with analysts raising price targets to USD170–190 ahead of its 28 October results. We also favour Texas Instruments, supported by data centre demand and its proposed USD7.5bn Silicon Labs acquisition. Lastly, traders could consider Analog Devices, following its proposed USD1.35bn Alif Semiconductor acquisition to strengthen its edge-AI capabilities.

MY: Tracking Wall Street's sell-off, we expect the local bourse to trade softer, with investors selective towards post-Budget 2027 beneficiaries. Despite profit-taking in MNHLDG following its RM293.9m data centre power contract, we view the pullback as a potential accumulation opportunity if it holds above its 20-day EMA. TNB's RM15bn grid investment could also benefit transmission and distribution players such as SCGBHD and PWRWELL. Lastly, we favour PEKAT, backed by its RM57.2m data centre lightning protection contract, lifting its unbilled order book to RM936m (~1.5x FY25 revenue), while its planned 4Q26 Main Market transfer could attract institutional interest.

FBMKLCI Technical Outlook



Bloomberg

Despite the rebound yesterday, the FBM KLCI stayed below the MA lines, with technical indicators showed mixed signals as the MACD continued to trade in the negative territory while RSI broke above the 30 level. Key resistance lies at 1,638–1,643, while near-term support is expected around 1,603–1,608.

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Market Scorecard

Key Indices	Last price	Change (%)
Dow Jones	51670.10	-0.35
S&P 500	7,805.45	-0.02
NASDAQ	27,204.38	-0.15
FBM KLCI	1623.35	0.33
FBM Small Cap	1,777.07	-0.93
FBM ACE	5,485.35	-1.36
Construction	317.65	-0.86
Consumer	444.88	-0.52
Energy	835.06	0.11
Financial Services	1,766.17	0.93
Healthcare	1,524.19	1.74
Ind Products	179.70	-0.59
Plantation	8,813.12	0.01
Property	993.02	-0.24
REITs	871.75	0.38
Technology	76.31	-4.07
Telco & Media	382.44	-0.86
Transport & Logisti	1,008.47	-0.57
Utilities	1,785.15	-0.44
Trading Vol (m)	3,609.77	7.33
Trading Val (RM m)	3,321.32	13.95
Gainers/ Losers rat	44%	
FKLI	1,615.50	-0.25
FCPO (RM)	4,734.00	1.11
Brent oil (USD)	105.69	-0.90
Gold (USD)	4,180.74	-0.06
USD	4.0857	-0.04
GBP	5.4078	-0.04
EURO	4.5676	-0.02
SGD	3.1919	-0.08
Trading participant	3,192.8	0.1441
Institution	-52.9	
Retail	437.0	
Foreign	-384.2	

Source: Bloomberg, Bursa Market Place



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Company Briefs

Sime Darby Bhd's (SIME) wholly owned subsidiary, Sime Darby Holdings Bhd (SDHB), has been slapped with a RM150.18m tax bill from the Inland Revenue Board (IRB) for the 2017 to 2023 assessment years. Sime Darby said the tax bill, which includes penalties, arose after the IRB classified interest income from SDHB's treasury activities as taxable under Section 4(c) of the Income Tax Act 1967. After consulting its tax and legal advisers, Sime Darby said it believes it has valid grounds to challenge the assessments and intends to appeal and initiate legal proceedings. (The Edge)

Kelington Group Bhd (KGB) has secured a RM128m contract from an existing customer to design and build water generation and wastewater treatment systems for a data storage manufacturing facility in Kuching. The group said the contract marks the third awarded to its wholly owned subsidiary, Kelington Technologies Sdn Bhd, by a manufacturing company in the Sama Jaya Free Industrial Zone within two weeks. (The Edge)

Critical Holdings Bhd (CHB) said an additional RM74.1m has been added to the value of the contract it secured from an undisclosed US-based multinational corporation to build a cleanroom facility at Kulim Hi-Tech Park in Kedah. The total contract value has now been revised up by nearly 49% to RM226.68m from the initial RM152.59m following a modification to its job scope. Critical Holdings got the job in May this year via its wholly owned Critical Engineering Solutions Sdn Bhd. The seven-month job, which began on May 11, is slated for completion by Dec 25. (The Edge)

Censof Holdings Bhd (CENSOF) has secured a contract worth RM10.8m to install a financial management system at the Malaysian Cooperative Commission. The 24-month contract is scheduled to start on Nov 2, 2026. The first phase involves a 12-month development and implementation ending on Nov 1, 2027, followed by a 12-month subscription commencing Nov 2, 2027. The scope of work covers the full system implementation process, including requirements analysis, system design, setup, configuration, customisation, testing, integration, data migration, training, commissioning and maintenance. (The Edge)

Lianson Fleet Group Bhd (LFG) has acquired its third Ultramax bulk carrier for US\$23m (RM93.9m), as part of its ongoing diversification beyond its offshore support vessel business. The acquisition was made on Tuesday by LFG Cengal Ltd, a wholly owned subsidiary of Lianson Fleet, from an unrelated third-party vendor incorporated in Japan. The LFG Cengal is a 13-year-old, Japanese-built bulk carrier built in May 2013, with a deadweight tonnage of 61,446 tonnes. The vessel is equipped with five cargo holds and five cargo hatches. (The Edge)

Pantech Global Bhd (PGLOBAL) is disposing of a 10-acre freehold land which it acquired less than two years ago for the expansion of its operations in Klang, for RM31.73m in cash. The planned sale comes after regulatory delays on the development of a new factory on the site, which prompted the carbon steel pipe fittings manufacturer to acquire a different parcel of land in Klang for RM29m in August last year under its revised development plans. About RM25.31m of the disposal price will go towards reimbursing the purchase of the new land, while the remainder RM6.42m will be for working capital. (The Edge)

HIS TIZA Pahang Sdn Bhd, a company linked to the Pahang crown prince, has entered into a share sale agreement with state government-owned Amanah Saham Pahang Bhd to acquire a 30% stake in **Mentiga Corp Bhd** (MENTIGA) for RM21m cash. HIS TIZA said the agreement to acquire 21m ordinary Mentiga shares at RM1 apiece was executed on Oct 12 and will be completed in 30 market days. The transaction price is a 72.41% premium over Mentiga's market price of 58 sen, though



it sits at a discount to its unaudited net assets of RM3.17 per share as of June 30. (The Edge)

Binasat Communications Bhd (BINACOM) has proposed to undertake a private placement of up to 60.43m shares, representing not more than 10% of its total issued shares, to raise money for existing and future contracts. The shares will be placed to yet-to-be identified third party investors at a price to be determined at a later date. (The Edge)

CTOS Digital Bhd (CTOS) whose shares fell to a record low on Tuesday, expects its recent cybersecurity breach to reduce its financial year ending Dec 31, 2026 (FY2026) profit after tax and minority interests (Patami) by RM12m and revenue by RM16m. The credit reporting agency said the estimates assume some services remain unavailable until the third week of October. CTOS Score and Central Credit Reference Information System (CCRIS)-related reports remain temporarily unavailable. (The Edge)

Arm Holdings (ARM) shares erased gains and dropped over 3% on Tuesday after a Delaware jury ruled against the company in a breach of contract case brought by **Qualcomm** (QCOM). The jury found that Arm breached its architectural license agreement with Qualcomm, failed to honor its commitments, and intentionally acted to disrupt Qualcomm's business operations, according to a statement from Qualcomm. (Investing.com)

The U.S. Treasury Department has levied more than \$1.2 billion in penalties against **Bank of America Corp** (BAC) over widespread anti-money laundering and sanctions compliance failures, according to reporting from the Financial Times. The sweeping enforcement action concludes that the second-largest American lender systematically failed to flag and report more than \$5 billion in suspicious transactions linked to foreign illicit finance networks and border-adjacent criminal enterprise. (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	352.7	106.8%	Initiated on 30/5/2025
2	PWRWELL	25-Sep	0.6	0.6	0.7	0.7	0.6	0.5	1.2	105.9%	Initiated on 25/9/2025
3	PEKAT	3-Oct	1.8	2.0	2.1	2.1	1.7	1.7	2.9	59.9%	Initiated on 3/10/2025
4	MU	24-Oct	212.2	229.2	233.4	227.3	194.0	192.0	989.0	366.1%	Initiated on 24/10/2025
5	TIGO	19-Dec	50.6	58.4	59.4	59.4	49.8	49.8	80.3	58.7%	Initiated on 19/12/2025
6	SNDK	13-Feb	610.5	693.0	700.0	700.0	542.0	536.0	1487.3	143.6%	Initiated on 13/2/2026
7	HKB	11-Mar	0.2	0.3	0.4	0.4	0.2	0.2	0.8	312.8%	Initiated on 9/4/2026
8	CORAZA	10-Apr	0.6	0.7	0.9	0.9	0.6	0.6	1.3	106.3%	Initiated on 10/4/2026
9	MCLEAN	23-Apr	0.6	0.7	0.7	0.7	0.6	0.5	0.7	16.6%	Initiated on 23/4/2026
10	SUNCON	14-May	6.9	7.6	7.7	7.7	7.0	6.9	7.6	8.9%	Initiated on 14/5/2026
11	DUFU	29-May	1.8	2.2	2.7	2.7	1.8	1.7	3.1	66.8%	Initiated on 29/5/2026
12	NTAP	16-Jun	161.6	192.8	230.4	230.4	159.3	154.9	239.2	48.0%	Initiated on 16/6/2026
13	ANET	1-Jul	165.6	179.6	195.7	195.7	157.3	154.0	210.9	27.4%	Initiated on 1/7/2026
14	JTGROUP	22-Jul	0.7	0.7	0.8	0.8	0.7	0.6	1.3	95.5%	Initiated on 22/7/2026
15	NATGATE	4-Aug	1.2	1.4	1.4	1.4	1.1	1.1	2.1	65.1%	Initiated on 4/8/2026
16	DE	13-Aug	618.1	639.1	674.4	674.4	608.1	596.8	632.6	2.4%	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	265.9	13.3%	Initiated on 11/9/2026
19	C	14-Sep	137.4	146.8	184.4	184.4	134.5	131.4	131.9	-4.0%	Initiated on 14/9/2026
20	SNX	14-Sep	261.8	286.4	302.1	302.1	267.0	252.9	273.1	4.3%	Initiated on 14/9/2026
21	VERDANT	22-Sep	0.2	0.3	0.3	0.3	0.2	0.2	0.2	8.9%	Reached TP 2 on 29/9/2026
22	NOW	22-Sep	141.8	162.5	192.4	192.4	135.2	130.9	140.3	-1.1%	Initiated on 22/9/2026
23	FLEX	7-Oct	118.4	142.6	166.4	166.4	114.9	104.0	117.2	-0.9%	Initiated on 7/10/2026
24	IAB	9-Oct	1.4	1.6	1.9	1.9	1.2	1.2	1.2	-13.9%	Initiated on 9/10/2026



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	1.05	112.6%	Initiated on 7-Apr-2026
2	CHEEDING	2/10/2026	0.630	0.730	0.750	0.585	0.565	0.554	0.580	-7.9%	Initiated on 2-Oct-2026
3	HKB	2/10/2026	0.660	0.715	0.750	0.625	0.595	0.578	0.805	22.0%	Initiated on 2-Oct-2026
4	KOSSAN	2/10/2026	1.140	1.330	1.370	1.130	1.080	1.060	1.160	1.8%	Initiated on 2-Oct-2026
5	CLOUDPT	2/10/2026	0.500	0.600	0.635	0.470	0.450	0.441	0.500	0.0%	Initiated on 2-Oct-2026
6	INFOM	2/10/2026	1.790	1.980	2.050	1.550	1.470	1.440	1.790	0.0%	Initiated on 2-Oct-2026
7	OGX	2/10/2026	0.435	0.600	0.625	0.405	0.380	0.372	0.440	1.1%	Initiated on 2-Oct-2026
8	QES	2/10/2026	0.590	0.655	0.675	0.555	0.540	0.529	0.600	1.7%	Initiated on 2-Oct-2026
9	SCICOM	2/10/2026	2.330	2.540	2.590	2.170	2.110	2.070	2.100	-9.9%	Initiated on 2-Oct-2026
10	THMY	2/10/2026	2.170	2.400	2.500	1.970	1.880	1.840	2.090	-3.7%	Initiated on 2-Oct-2026
11	UMSINT	2/10/2026	8.770	9.750	10.000	2.330	2.160	7.980	8.400	-4.2%	Initiated on 2-Oct-2026
12	UWC	2/10/2026	7.090	7.760	8.000	6.560	6.320	6.190	7.650	7.9%	Initiated on 2-Oct-2026
13	VITROX	2/10/2026	10.000	11.240	11.500	9.570	9.260	9.070	10.740	7.4%	Initiated on 2-Oct-2026
Average Return										9.9%	

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