AI Sell-Off Deepens; Oil Rebounds on Shipping Risks

Market Review

MY: The local bourse closed higher following BNM decision to hold interest rates. However, market breadth was negative, with 723 losers outpacing 497 gainers. The benchmark was lifted by PBBANK and MAYBANK. Sector-wise, Financials (+2.92%) led the gains, while Technology (-4.27%) was the weakest performer.

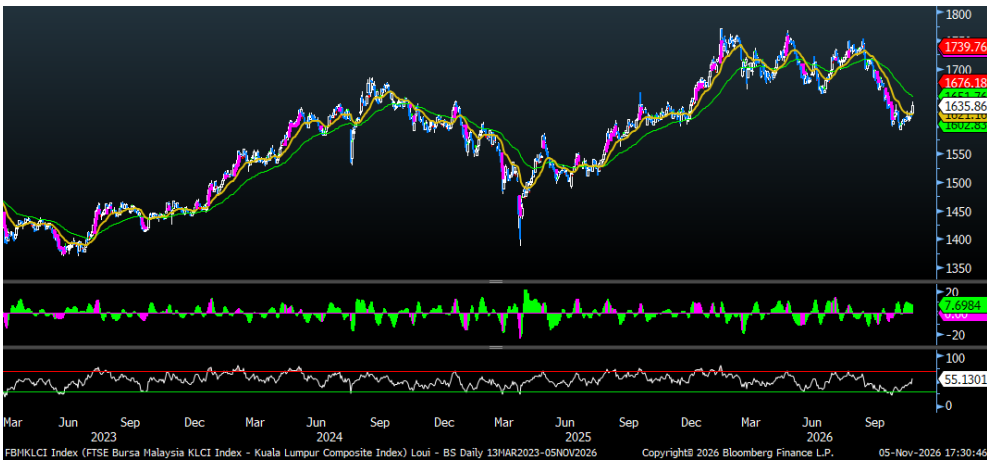
US: Wall Street suffered its worst day since April 2025 on Thursday as technology stocks tumbled. The Nasdaq, S&P 500 and Dow plunged 5.5%, 4.4% and 3.4%, respectively, amid fears of AI regulation. Nvidia, AMD and Qualcomm led the chip sell-off, while low jobless claims pointed to continued labour-market resilience.

The Day Ahead

US: Wall Street may remain cautious as investors reassess AI infrastructure returns and potential regulatory constraints. Renewed tanker attacks and uncertainty over US–Iran negotiations lifted Brent to USD98.29/bbl, reviving inflation concerns and the risk of further energy-market volatility. Defensive names such as Walmart (WMT), Procter & Gamble (PG) and Johnson & Johnson (JNJ) could attract interest as investors seek more resilient earnings. Friday's US employment report will be closely watched for clues on labour-market conditions and the Federal Reserve's policy outlook.

MY: The FBM KLCI may face selling pressure after Wall Street's sharp decline, although BNM's decision to maintain the OPR at 2.75% could offer support. VITROX posted its strongest quarterly results since listing, with 3QFY26 revenue up 112% YoY to RM485.1m and net profit rising 242% to RM118.6m, driven by AI infrastructure and networking inspection demand. However, the semiconductor sell-off may weigh on sentiment. GCB may benefit from a recovery in cocoa grindings, up 29% YoY in Asia and 40% among Ivory Coast's GEPEX members, alongside lower bean costs. KJTS also merits attention, with four 20-year cooling agreements in Thailand supporting recurring income being awarded in Sep-2026.

FBMKLCI Technical Outlook



Bloomberg

The local bourse rallied on Thursday, cementing its rebound trajectory with solid support from its key moving average. Backed by an expanding positive MACD histogram and an RSI crossing above 50, overhead resistance sits at 1,651–1,666, with support established at 1,606–1,621.

Research Team
research@msec.com.my
(603) 2201 2100

Market Scorecard

Key Indices	Last price	Change (%)
Dow Jones	51,528.16	-3.44
S&P 500	7,353.73	-4.36
NASDAQ	24,315.00	-5.52
FBM KLCI	1,635.86	1.19
FBM Small Cap	15,180.66	-1.93
FBM ACE	5,322.65	-1.81
Construction	312.85	-0.58
Consumer	448.06	0.94
Energy	806.47	-2.59
Financial Services	19,128.92	2.92
Healthcare	1,590.27	-1.96
Ind Products	175.25	-1.66
Plantation	8,784.23	0.26
Property	979.38	0.22
REITs	870.12	0.57
Technology	71.14	-4.27
Telco & Media	380.35	-0.87
Transport & Logistics	1,019.90	-1.13
Utilities	1,788.15	0.04
Trading Vol (m)	3,740.00	32.72
Trading Val (RM m)	3,610.00	40.12
Gainers/ Losers ratio	69%	
FKLI	1,630.50	-0.70
FCPO (RM)	4,368.00	-0.21
Brent oil (USD)	99.31	4.97
Gold (USD)	4,088.28	0.69
USD	4.0440	-0.42
GBP	5.4420	-0.01
EURO	4.5391	-0.01
SGD	3.1658	-0.04

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



Source: TradingView, Bursa Malaysia

Company Briefs

ViTrox Corporation Bhd (VITROX) posted its strongest quarterly results since listing in 2005, with net profit more than tripling to RM118.6m for the third quarter ended Sept 30, 2026, from RM34.7m a year earlier, driven by higher sales volume and lower unit costs. Revenue more than doubled to RM485.1m, while the semiconductor equipment maker expects continued growth into 2027, supported by strong demand for artificial intelligence (AI) infrastructure and data centres. *(The Edge)*

Sunway Construction Group Bhd (SUNCON) has secured a RM1.74bn contract to build a hyperscale data centre in Bandar Serendah, Selangor, marking its seventh data centre-related contract this year. The latest win brings its year-to-date new orders to RM9.8bn and outstanding order book to RM13.4bn, with the project expected to be completed by the fourth quarter of 2028. *(The Edge)*

Kobay Technology Bhd (KOBAY) posted a 73% jump in net profit to a record RM18.66m for the first quarter ended Sept 30, 2026 (1QFY2027), from RM10.77m a year earlier, driven by stronger contributions from its manufacturing divisions. Revenue rose 17% to RM130.24m, with the group remaining optimistic about its semiconductor manufacturing business amid healthy orders and rising customer demand. *(The Edge)*

Zetrix AI Bhd (ZETRIX) has launched a digital identity service for AI agents in partnership with China's Academy of Information and Communications Technology, as it seeks to commercialise its AI investments following RM3.7bn in development spending. The launch comes amid mounting financial and legal challenges, including a breach of its RM2bn sukuk programme's covenant and a credit rating downgrade by MARC Ratings. *(The Edge)*

SD Guthrie Bhd (SDG) reported a 17% decline in its net profit to RM773m for the third quarter ended Sept 30, 2026, from RM935m a year earlier, mainly due to lower gains from land sales and weaker downstream earnings. Revenue slipped 0.3% to RM5.39bn. The plantation group remains optimistic about its full-year performance, supported by resilient palm oil prices. *(The Edge)*

Lotte Chemical Titan Holding Bhd (LCTITAN) saw its net loss widen to RM245.5m for the third quarter ended Sept 30, 2026 (3QFY2026), from RM168.84m a year earlier, weighed down by higher feedstock costs, depreciation and interest expenses, as well as narrower margins. Revenue rose 17% to RM2.85bn, driven by higher average selling prices. The petrochemical group has remained loss-making since 2QFY2022. *(The Edge)*

Pentamaster Corp Bhd (PENTA) reported a 19.6% rise in net profit to RM20.46m for the third quarter ended Sept 30, 2026 from RM17.11m a year earlier, driven by stronger demand for factory automation solutions, particularly from the AI computing sector. Revenue surged 51.3% to RM224.05m, with AI computing contributing nearly half of the group's quarterly revenue. The group expects double-digit revenue growth for FY2026, backed by an outstanding order book of RM500m. *(The Edge)*

Fraser & Neave Holdings Bhd (F&N) reported an 18.2% rise in net profit to RM135.05m for the fourth quarter ended Sept 30, 2026 (4QFY2026), from RM114.29m a year earlier, mainly due to lower tax expenses. Revenue fell 3.1% to RM1.19bn, weighed down by weaker sales in Cambodia and unfavourable currency movements. The group proposed a final dividend of 30 sen per share, bringing its total FY2026 payout to 60 sen per share. *(The Edge)*

Tanco Holdings Bhd (TANCO)'s joint venture with a Chinese construction firm has secured a RM700m contract to build an industrial warehouse complex in Klang. The project is expected to be completed by November 2028, with Tanco's role limited to project coordination and management for an undisclosed fee, while its Chinese partner will undertake construction and bear the associated costs and risks. *(The Edge)*

Alpha IVF Group Bhd (ALPHA) has secured approval from the Securities Commission Malaysia and Bursa Malaysia to transfer its listing from the ACE Market to the Main Market under the healthcare sector. The fertility care specialist, which debuted on the ACE Market in March 2024, said the move would enhance its corporate profile and attract greater institutional investor interest. *(The Edge)*

TT Vision Holdings Bhd (TTVHB) has secured a RM15.32m purchase order from an unnamed global opto-semiconductor manufacturer for automated optical inspection equipment, to be fulfilled within nine months. This marks its third purchase contract this year, following orders worth RM9.5m in September and RM3.62m earlier this month. *(The Edge)*

CVS Health Corporation (CVS) announced plans to spin off its retail pharmacy chain, comprising approximately 9,000 drugstores generating a third of its projected $420 billion in revenue, into a separate publicly traded company called CVS Pharmacy by the first half of 2028, according to a company announcement reported by the Financial Times. Led by Chief Executive and Chair David Joyner, the remaining healthcare solutions business will house Caremark, Aetna, Signify Health, and Oak Street Health, unwinding two decades of vertical integration amid mounting political and legislative pressure targeting the co-ownership of pharmacies and pharmacy benefit managers. (Financial Times)

Goldman Sachs Group Inc. (GS) and **Apollo Global Management Inc.** (APO) have entered discussions with Wall Street investors to sell portions of a $40 billion off-balance-sheet chip financing package for SpaceX, according to a report from Bloomberg News. Structured through a special-purpose vehicle managed by Atlas SP to purchase **Nvidia Corp** (NVDA) Rubin chips for delivery in the first half of 2027, the deal features SpaceX renting the GPUs under a five-year agreement with an absolute payment obligation excluding force majeure exceptions. Goldman Sachs led the syndication of an $8.3 billion senior-secured loan tranche while Apollo anchored the bond tranches alongside participation from Pacific Investment Management Co. (The Edge)

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	171.35	187.50	190.00	190.00	170.00	167.50	288.93	68.6%	Initiated on 30/5/2025
2	PWRWELL	25-Sep	0.59	0.61	0.71	0.71	0.57	0.52	1.03	76.1%	Initiated on 25/9/2025
3	PEKAT	3-Oct	1.83	2.00	2.05	2.05	1.70	1.66	2.88	57.4%	Initiated on 3/10/2025
4	MU	24-Oct	212.39	229.38	233.63	227.31	194.00	192.00	795.23	274.4%	Initiated on 24/10/2025
5	TIGO	19-Dec	53.06	58.40	59.40	59.40	49.80	49.80	77.09	45.3%	Initiated on 19/12/2025
6	SNDK	13-Feb	610.53	693.00	700.00	700.00	542.00	536.00	1037.40	69.9%	Initiated on 13/2/2026
7	HKB	11-Mar	0.20	0.29	0.35	0.35	0.24	0.23	0.82	317.9%	Initiated on 9/4/2026
8	CORAZA	10-Apr	0.63	0.69	0.85	0.85	0.60	0.59	1.19	88.9%	Initiated on 10/4/2026
9	MCLEAN	23-Apr	0.60	0.70	0.72	0.72	0.57	0.54	0.64	6.7%	Initiated on 23/4/2026
10	SUNCON	14-May	7.20	7.60	7.70	7.70	6.97	6.85	7.75	7.6%	Initiated on 14/5/2026
11	DUFU	29-May	1.86	2.20	2.73	2.73	1.77	1.72	2.56	37.6%	Initiated on 29/5/2026
12	NTAP	16-Jun	162.07	192.83	230.40	230.40	159.31	154.87	187.67	15.8%	Initiated on 16/6/2026
13	ANET	1-Jul	165.56	179.64	195.70	195.70	157.31	153.96	178.48	7.8%	Initiated on 1/7/2026
14	JTGROUP	22-Jul	0.67	0.75	0.77	0.77	0.65	0.63	1.15	72.9%	Initiated on 22/7/2026
15	NATGATE	4-Aug	1.25	1.37	1.40	1.40	1.14	1.10	1.87	49.6%	Initiated on 4/8/2026
16	DE	13-Aug	619.55	639.08	674.35	674.35	608.11	596.75	676.50	9.2%	Initiated on 13/8/2026
17	AUMAS	26-Aug	0.41	0.52	0.59	0.59	0.38	0.37	0.35	-14.8%	Cut loss on 18/9/2026
18	MRVL	11-Sep	234.63	316.92	329.88	329.88	223.40	205.22	159.80	-31.9%	Cut loss on 2/11/2026
19	C	14-Sep	137.36	146.80	184.43	184.43	134.52	131.39	124.74	-9.2%	Initiated on 14/9/2026
20	SNX	14-Sep	261.83	286.44	302.13	302.13	267.02	252.85	230.39	-12.0%	Cut loss on 15/10/2026
21	VERDANT	22-Sep	0.23	0.25	0.29	0.29	0.21	0.20	0.23	0.0%	Reached TP 2 on 29/9/2026
22	NOW	22-Sep	141.83	162.50	192.40	192.40	135.20	130.90	108.81	-23.3%	Cut loss on 29/10/2026
23	FLEX	7-Oct	118.35	142.55	166.35	166.35	114.85	104.00	77.24	-34.7%	Cut loss on 14/10/2026
24	IAB	9-Oct	1.37	1.64	1.93	1.93	1.21	1.19	0.96	-30.3%	Cut loss on 13/10/2026
25	PESONA	13-Oct	0.47	0.50	0.55	0.55	0.47	0.45	0.49	3.2%	Initiated on 13/10/2026
26	EIPOWER	16-Oct	0.85	1.07	1.09	1.09	0.85	0.83	0.87	1.8%	Initiated on 16/10/2026
27	OGX	23-Oct	0.46	0.53	0.55	0.55	0.44	0.43	0.44	-3.3%	Initiated on 23/10/2026
28	DELL	28-Oct	501.96	537.27	602.18	602.18	488.30	450.70	372.36	-25.8%	Cut loss on 30/10/2026

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	0.495	1.200	1.240	1.030	1.000	0.980	0.9	81.8%	Initiated on 7-Apr-2026
2	CHEEDING	2/10/2026	0.630	0.730	0.750	0.585	0.565	0.554	0.535	-15.1%	Initiated on 2-Oct-2026
3	HKB	2/10/2026	0.660	0.715	0.750	0.625	0.595	0.578	0.815	23.5%	Initiated on 2-Oct-2026
4	KOSSAN	2/10/2026	1.140	1.330	1.370	1.130	1.080	1.060	1.270	11.4%	Initiated on 2-Oct-2026
5	CLOUDPT	2/10/2026	0.500	0.600	0.635	0.470	0.450	0.441	0.515	3.0%	Initiated on 2-Oct-2026
6	INFOM	2/10/2026	1.790	1.980	2.050	1.550	1.470	1.440	1.840	2.8%	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	0.615	4.2%	Initiated on 2-Oct-2026
9	SCICOM	2/10/2026	2.330	2.540	2.590	2.170	2.110	2.070	2.180	-6.4%	Initiated on 2-Oct-2026
10	THMY	2/10/2026	2.170	2.400	2.500	1.970	1.880	1.840	1.970	-9.2%	Initiated on 2-Oct-2026
11	UMSINT	2/10/2026	8.770	9.750	10.000	2.330	2.160	7.980	7.240	-17.4%	Initiated on 2-Oct-2026
12	UWC	2/10/2026	7.090	7.760	8.000	6.560	6.320	6.190	6.590	-7.1%	Initiated on 2-Oct-2026
13	VITROX	2/10/2026	10.000	11.240	11.500	9.570	9.260	9.070	10.600	6.0%	Initiated on 2-Oct-2026
	Average Return									6.1%	

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