Rate-Hike Fears Return After Hotter CPI

Market Review

MY: The local bourse finished on a weaker note, dragged down by losses in YTLPOWR (-32.0 sen) and PBBANK (-22.0 sen). Market breadth remained negative, with 745 losers vs. 395 gainers. Sector-wise, Construction (+1.08%) outperformed, led by SUNCON and GAMUDA, while Energy (-1.91%) was the worst performer.

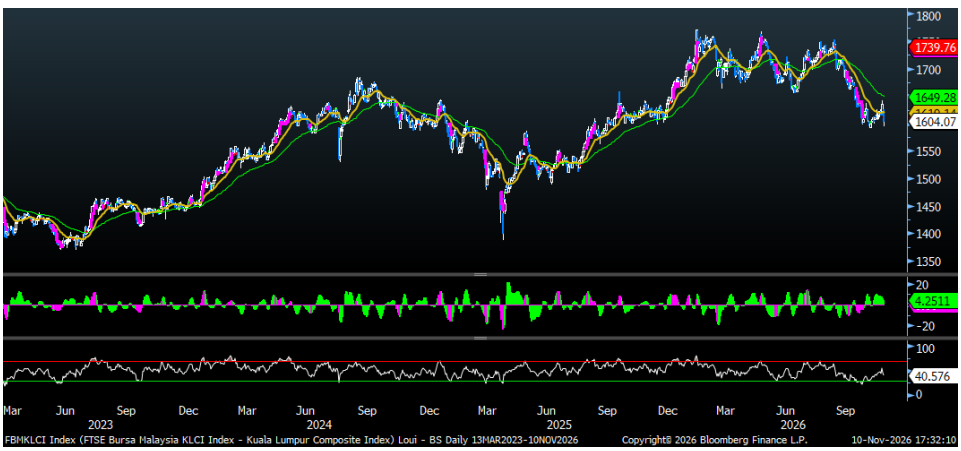
US: Wall Street retreated on Tuesday as hotter-than-expected CPI data and hawkish Fed comments fuelled December rate-hike expectations. The Nasdaq fell 0.7%, S&P 500 declined 0.4% and Dow slipped 0.3%. Treasury yields and the dollar surged, while investors also monitored developments surrounding Anthropic's upcoming IPO.

The Day Ahead

US: Following hotter-than-expected October CPI and Fed Governor Waller's openness to a half-point hike, which pushed the 10-year yield to 5%, we expect Wall Street to remain cautious. Stock-wise, we favour Emerson Electric (EMR), backed by its USD8.2bn backlog and FY27 adjusted EPS guidance of USD7.25. Meanwhile, Microsoft (MSFT) may offer an entry point after its pullback following Anthropic's Excel-rival launch, supported by its planned participation in Anthropic's USD26bn IPO-linked placement. Lastly, traders could look at NXP Semiconductors (NXPI), backed by its USD5bn buyback authorisation and Volkswagen partnership.

MY: Tracking overnight Wall Street losses, we expect the local bourse to trade softer today. Nevertheless, investors may look at 5E Resources (5ER), supported by (i) its new Pasir Gudang facility, expected to boost annual treatment and recycling capacity by 80% from 282k to 509k tonnes, (ii) potential waste treatment demand from the government's B15 biodiesel push, and (iii) tightening environmental and ESG regulations. Meanwhile, heightened cybersecurity concerns following suspected attacks on financial and government infrastructure could bode well for LGMS (M+Global TP: RM 0.70), while power infrastructure player SKACAP (M+Global TP: RM 0.66) makes its ACE Market debut today.

FBMKLCI Technical Outlook



Bloomberg

While the local bourse extended its losses yesterday, technical indicators continue to suggest a potential recovery, supported by a positive MACD histogram and the RSI holding above 30. Immediate resistance is seen at 1,619–1,624, while support is established at 1,584–1,589.

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

Market Scorecard

Key Indices	Last price	Change (%)
Dow Jones	52,237.23	-0.30
S&P 500	7,520.93	-0.38
NASDAQ	25,065.87	-0.74
FBM KLCI	1,604.07	-0.77
FBM Small Cap	14,859.14	-0.37
FBM ACE	5,209.99	-0.58
Construction	312.28	1.08
Consumer	442.95	-0.24
Energy	779.66	-1.91
Financial Services	18,743.78	-1.13
Healthcare	1,554.82	-1.60
Ind Products	170.41	-0.55
Plantation	8,659.81	-0.76
Property	959.69	-0.80
REITs	862.28	-0.35
Technology	68.05	0.25
Telco & Media	374.61	-0.14
Transport & Logistics	1,017.76	0.80
Utilities	1,728.10	-1.85
Trading Vol (m)	2,701.00	-25.82
Trading Val (RM m)	2,777.00	-20.61
Gainers/ Losers ratio	57%	
FKLI	1,597.00	-0.25
FCPO (RM)	4,270.00	0.33
Brent oil (USD)	92.03	-0.17
Gold (USD)	4,032.51	-2.61
USD	4.0540	0.00
GBP	5.4115	0.01
EURO	4.5284	0.04
SGD	3.1646	0.11

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



Source: TradingView, Bursa Malaysia

JOIN OUR OFFICIAL TELEGRAM
TO GET THE LATEST MARKET UPDATES

Company Briefs

Zetrix AI Bhd (ZETRIX) has until Wednesday (Nov 11) to disclose material information on its financial position, unpaid dividends and a series of governance and operational issues following a directive from Bursa Malaysia Securities Bhd. The disclosure deadline is separate from Bursa Securities' instruction to pay outstanding cash dividends to shareholders unaffected by legal proceedings immediately, and no later than Nov 23. (The Edge)

Meanwhile, Zetrix also confirmed to Bursa Malaysia it still owes RM25m in payments that was due last Friday for a tranche of its sukuk programme. The company said it is taking steps to settle the nominal value and periodic distribution amounts of its Sukuk Wakalah Series No 6. (The Edge)

Critical Holdings Bhd (CHB) has secured engineering, procurement and construction contracts worth RM65m from a multinational corporation for cleanroom works in northern Peninsular Malaysia. The contracts, covering the design, construction, testing and commissioning of a new cleanroom production floor, including mechanical, electrical and process utilities, as well as cleanroom architectural systems, are scheduled for completion by March 31, 2027. (The Edge)

PMW International Bhd (PMW) has secured an additional RM64.37m in contract value as well as a one-year extension for its spun concrete poles supply job for Tenaga Nasional Bhd (TENAGA). With the RM19.31m under the optional value contract secured in August this year, and the contract's initial value of RM64.37m, its aggregate value stands at RM148.05m. (The Edge)

Sunway Real Estate Investment Trust (SUNREIT) reported a 4% year-on-year decline in net property income to RM173.8m for the third quarter ended Sept 30, 2026 (3QFY2026), mainly on higher operating costs and lower revenue. Revenue edged down 1.7% to RM232.3m primarily due to the disposal of its Sunway University and College campus as part of its asset recycling strategy. For the cumulative nine months, NPI rose 1.7% to RM501.2m as revenue grew 1.3% to RM675.7m. No distribution was declared for the quarter under review. (The Edge)

Hup Seng Industries Bhd (HUPSENG) reported a 9.33% decline in net profit to RM14.03m for 3QFY2026, amid weaker domestic demand for biscuits and lower export sales. Quarterly revenue declined 6.62% to RM98.7m. For the first nine months of the year, net profit inched up 1.08% to RM34.95m, despite a 2.26% decline in revenue to RM275.89m. The board recommended a third interim dividend of two sen per share. (The Edge)

YNH Property Bhd (YNHPROP) said it is banking on proceeds from a proposed land disposal in Desa Sri Hartamas to Sunway Bhd's (SUNWAY) unit and sales billings from its ongoing property developments to meet its RM170m sukuk redemption due on Feb 26, 2027. This came after its sukuk reserve-account experienced a shortfall that triggered a technical default. (The Edge)

Favelle Favco Bhd's (FAVCO) Australian unit has secured two tower crane supply orders worth a combined RM83.7m from Marr Contracting Pty Ltd and G A Caelli Holdings Trust. The cranes to be supplied to Marr Contracting are expected to be delivered by the first quarter of 2027, while those for G A Caelli Holdings Trust are scheduled for delivery by the end of 2027. (The Edge)

Kumpulan Kitacon Bhd (KITACON) has secured a RM54.87m construction works contract for a project located at Taman Perdagangan Elmina in Rawang. The contract involves the construction and completion of Phase i25, comprising 14 units of two-storey detached factories across various types, complete with electric vehicle (EV) charging bays, refuse chambers, one main switch station, and two distribution

substations. Works are scheduled to start on Nov 30, 2026, and be completed within 22 months. (The Edge)

Advancecon Holdings Bhd (ADVCON) has secured a RM41.52m contract to undertake earthworks and main infrastructure works at Southern Ibrahim Technopolis (IBTEC) in Kulai, Johor. The latest contract, awarded by JLG Technopark Sdn Bhd, a unit of Johor Corporation, marks its third contract from JLG for works at IBTEC. (The Edge)

Jati Tinggi Group Bhd's (JTGROUP) has secured a RM33.1m subcontract to undertake electrical infrastructure works for interim power supply to a data centre in Gerbil, Negeri Sembilan from an unnamed main contractor. The works, covering the construction of a transition yard, overhead line take-off works and associated secondary system modifications, will be carried out over nine months. (The Edge)

Adobe Inc. (ADBE) and **Alphabet Inc.** (GOOGL) announced an expanded strategic partnership to integrate their core creative, productivity, and artificial intelligence platforms, according to a company press release. The agreement brings Adobe Acrobat directly into Google Workspace via Google Drive and Gmail with file-preview integration, while embedding Google's Gemini AI models to power document editing and content creation capabilities within Acrobat. Additionally, Adobe will incorporate Google's foundation video and image models—including Gemini Omni, Veo, and Nano Banana—into Adobe Firefly, Photoshop, Express, and Premiere, alongside a research collaboration with Google DeepMind to develop real-time, prompt-driven editing tools for creative professionals. (Investing.com)

Anthropic (ANT) launched the roadshow for its initial public offering with shares priced in an indicative band between $70 and $78, targeting a valuation of up to $1.4 trillion, according to Reuters reporting. Market strategists note that while the offering's valuation has adjusted down from earlier expectations amid recent artificial intelligence sector volatility and heightened investor scrutiny over capital expenditures, data centre buildout costs, and path to profitability, the milestone public debut serves as a critical benchmark for pure-play AI infrastructure demand and valuation multiples. (Reuters)

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	288.15	68.2%	Initiated on 30/5/2025
2	PWRWELL	25-Sep	0.59	0.61	0.71	0.71	0.57	0.52	1.02	74.4%	Initiated on 25/9/2025
3	PEKAT	3-Oct	1.83	2.00	2.05	2.05	1.70	1.66	2.79	52.5%	Initiated on 3/10/2025
4	MU	24-Oct	212.39	229.38	233.63	227.31	194.00	192.00	733.15	245.2%	Initiated on 24/10/2025
5	TIGO	19-Dec	53.06	58.40	59.40	59.40	49.80	49.80	86.76	63.5%	Initiated on 19/12/2025
6	SNDK	13-Feb	610.53	693.00	700.00	700.00	542.00	536.00	886.51	45.2%	Initiated on 13/2/2026
7	HKB	11-Mar	0.20	0.29	0.35	0.35	0.24	0.23	0.78	297.4%	Initiated on 9/4/2026
8	CORAZA	10-Apr	0.63	0.69	0.85	0.85	0.60	0.59	1.18	87.3%	Initiated on 10/4/2026
9	MCLEAN	23-Apr	0.60	0.70	0.72	0.72	0.57	0.54	0.66	10.9%	Initiated on 23/4/2026
10	SUNCON	14-May	7.20	7.60	7.70	7.70	6.97	6.85	8.36	16.1%	Initiated on 14/5/2026
11	DUFU	29-May	1.86	2.20	2.73	2.73	1.77	1.72	2.42	30.1%	Initiated on 29/5/2026
12	NTAP	16-Jun	162.07	192.83	230.40	230.40	159.31	154.87	176.07	8.6%	Initiated on 16/6/2026
13	ANET	1-Jul	165.56	179.64	195.70	195.70	157.31	153.96	186.17	12.5%	Initiated on 1/7/2026
14	JTGROUP	22-Jul	0.67	0.75	0.77	0.77	0.65	0.63	1.09	63.9%	Initiated on 22/7/2026
15	NATGATE	4-Aug	1.25	1.37	1.40	1.40	1.14	1.10	1.82	45.6%	Initiated on 4/8/2026
16	DE	13-Aug	619.55	639.08	674.35	674.35	608.11	596.75	691.28	11.6%	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	154.60	-34.1%	Cut loss on 2/11/2026
19	C	14-Sep	137.36	146.80	184.43	184.43	134.52	131.39	121.97	-11.2%	Initiated on 14/9/2026
20	SNX	14-Sep	261.83	286.44	302.13	302.13	267.02	252.85	228.33	-12.8%	Cut loss on 15/10/2026
21	VERDANT	22-Sep	0.23	0.25	0.29	0.29	0.21	0.20	0.22	-4.4%	Reached TP 2 on 29/9/2026
22	NOW	22-Sep	141.83	162.50	192.40	192.40	135.20	130.90	102.76	-27.5%	Cut loss on 29/10/2026
23	FLEX	7-Oct	118.35	142.55	166.35	166.35	114.85	104.00	78.17	-34.0%	Cut loss on 14/10/2026
24	IAB	9-Oct	1.37	1.64	1.93	1.93	1.21	1.19	0.90	-34.3%	Cut loss on 13/10/2026
25	PESONA	13-Oct	0.47	0.50	0.55	0.55	0.47	0.45	0.48	1.1%	Initiated on 13/10/2026
26	EIPOWER	16-Oct	0.85	1.07	1.09	1.09	0.85	0.83	0.79	-7.6%	Initiated on 16/10/2026
27	OGX	23-Oct	0.46	0.53	0.55	0.55	0.44	0.43	0.42	-8.8%	Initiated on 23/10/2026
28	DELL	28-Oct	501.96	537.27	602.18	602.18	488.30	450.70	346.31	-31.0%	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	0.85	71.7%	Initiated on 7-Apr-2026
2	CHEEDING	2/10/2026	0.630	0.730	0.750	0.585	0.565	0.554	0.525	-16.7%	Initiated on 2-Oct-2026
3	HKB	2/10/2026	0.660	0.715	0.750	0.625	0.595	0.578	0.775	17.4%	Initiated on 2-Oct-2026
4	KOSSAN	2/10/2026	1.140	1.330	1.370	1.130	1.080	1.060	1.220	7.0%	Initiated on 2-Oct-2026
5	CLOUDPT	2/10/2026	0.500	0.600	0.635	0.470	0.450	0.441	0.435	-13.0%	Initiated on 2-Oct-2026
6	INFOM	2/10/2026	1.790	1.980	2.050	1.550	1.470	1.440	1.800	0.6%	Initiated on 2-Oct-2026
7	OGX	2/10/2026	0.435	0.600	0.625	0.405	0.380	0.372	0.415	-4.6%	Initiated on 2-Oct-2026
8	QES	2/10/2026	0.590	0.655	0.675	0.555	0.540	0.529	0.620	5.1%	Initiated on 2-Oct-2026
9	SCICOM	2/10/2026	2.330	2.540	2.590	2.170	2.110	2.070	2.200	-5.6%	Initiated on 2-Oct-2026
10	THMY	2/10/2026	2.170	2.400	2.500	1.970	1.880	1.840	1.960	-9.7%	Initiated on 2-Oct-2026
11	UMSINT	2/10/2026	8.770	9.750	10.000	2.330	2.160	7.980	6.950	-20.8%	Initiated on 2-Oct-2026
12	UWC	2/10/2026	7.090	7.760	8.000	6.560	6.320	6.190	6.140	-13.4%	Initiated on 2-Oct-2026
13	VITROX	2/10/2026	10.000	11.240	11.500	9.570	9.260	9.070	9.850	-1.5%	Initiated on 2-Oct-2026
	Average Return									1.3%	

Disclaimer

Research analyst(s) of MSSB whom produced this report hereby certifies that the views expressed in this report accurately reflect his/her personal opinions about all of the subject corporation(s) and securities in this report. He/She does not carry out, whether for himself/herself or on behalf of MSSB or any other persons did not receive and will not receive any compensation that is directly or indirectly related or linked to the recommendations or views expressed in this report or to any sales, trading, dealing or corporate finance advisory services or transaction in respect of the securities in this report. As of the report date, the analyst whom prepared this report does not have any interest in the following securities covered in this report, unless otherwise stated.