Key Indices

	Prev Close	1D %	1W %	1M %	YTD %
DJIA	52,508.3	0.0	(0.8)	2.6	9.2
S&P 500	7,543.6	0.4	0.5	1.5	10.2
FTSE 100	10,529.4	0.3	(1.3)	0.6	6.0
AS30	9,001.3	(0.0)	(0.0)	(0.1)	(0.2)
CSI 300	4,796.5	2.2	0.1	0.4	3.6
FSSTI	5,495.6	0.5	2.9	9.3	18.3
HSCEI	8,103.1	0.5	4.3	(3.2)	(9.1)
HSI	24,340.7	0.5	3.6	(1.5)	(5.0)
JCI	6,039.5	0.0	0.9	0.5	(30.2)
KLCI	1,719.9	1.3	2.2	2.2	2.4
KOSPI	6,856.8	0.7	(10.4)	(15.6)	62.7
Nikkei 225	67,743.5	0.7	(0.8)	2.6	34.6
SET	1,626.0	(0.1)	1.4	2.1	29.1
TWSE	44,738.0	(1.4)	(1.6)	1.3	54.5
BDI	2,980.0	0.7	3.7	9.2	58.8
CPO (RM/mt)	4,466.5	0.0	(0.5)	(0.0)	13.6
Brent Crude (US$/bbl)	84.7	1.7	14.3	(3.0)	39.2

Source: Bloomberg

Corporate Events

	Venue	Begin	Close
Analyst Marketing on 2H Thai Strategy and Healthcare Sector Presentation	Malaysia	13 Jul	15 Jul
Virtual Post-Results Meeting with ASL Marine Holdings Ltd (ASL SP)	Singapore	21 Jul	21 Jul

Corporate & Macro Calendar

Economic Indicator/Event	Country/Region	Date
CPI	Malaysia	17 Jul
2Q GDP	Malaysia	17 Jul
Trade Figures	Malaysia	20 Jul
Foreign Reserves	Malaysia	22 Jul

Please click on the page number to move to the relevant page

Top Stories

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Consumer stocks historically outperform the FBMKLCI around elections, led by retailers, with momentum often persisting after polling day. Input costs remain contained despite conflict risks, with lower soft commodities costs offsetting higher packaging and logistics costs. Maintain MARKET WEIGHT. Discounted valuations support resilience, but uncertainties cap upside. Top picks for the sector: 99SM, MRDIY and F&N.

Market Spotlight Page 5

- In tandem with the uptrend in regional markets, the FBMKLCI advanced 21.50pt (+1.27%) to close at 1,719.94 yesterday.
- US stocks were higher after the close on Tuesday, as gains in the technology, basic materials and oil & gas sectors led shares higher.

Technical Analysis

FBMKLCI, FCPO & FKLI Index Outlook Page 6

Traders' Corner Page 8

Agmo Holdings | AGMO MK
Trading Buy Range: RM0.335-0.34

Dayang Enterprise Holdings | DEHB MK
Trading Buy Range: RM1.75-1.77

GDB Holdings | GDB MK
Trading Buy Range: RM0.505-0.51

Consumer

Discounted, But Not Yet Compelling

MARKET WEIGHT
(Maintained)

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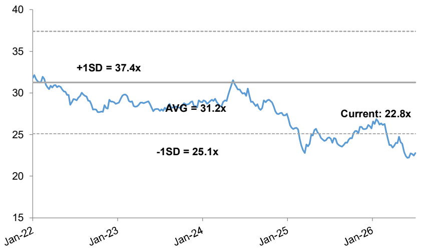
Highlights

- Consumer stocks historically outperform the FBMKLCI around elections, led by retailers, with momentum often persisting after polling day.
- Input costs remain contained despite conflict risks, with lower soft commodities costs offsetting higher packaging and logistics costs.
- Maintain MARKET WEIGHT. Discounted valuations support resilience, but uncertainties cap upside. Top picks for the sector: 99 Speed Mart Retail Holdings (99SM), Mr DIY Group (M) (MRDIY) and Fraser & Neave Holdings (F&N).

Analysis

- **An election haven.** Consumer companies appear to have held up relatively well around the past five election periods, with outperformance more evident versus the FBMKLCI than on an absolute basis. These selected companies were picked out of virtue of being listed since the 11th General Election (2004) (refer overleaf). Retailers were the clear standout pre-election, averaging +8.4% relative performance, likely reflecting expectations of stronger consumer spending from pre-election handouts and feel-good measures. Staples and sin stocks also outperformed, but to a lesser extent. Interestingly, the post-election trend remained supportive, with staples (+6.1%), retailers (+5.7%) and sin stocks (+4.4%) still outperforming on average. This suggests that election-related consumer momentum does not necessarily fade immediately after polling day, while the broader market tends to soften post-election.
- **Commodities prices remain contained despite conflict scares.** The weakening of soft commodity prices in late-25 arrived at an ideal time for consumer companies, as year-end re-hedging and strategic inventory levels should largely shield them from the recent Middle East conflict uncertainties. Latest key input costs remain below pre-conflict levels, notably, coffee (-17.6%), cocoa (-30.6) and sugar (-13.0%). Consequently, barring a spike in plastic packaging cost and elevated logistics cost, the overall input cost environment remains relatively neutral. Stocking out of key materials appears specific to Farm Fresh, with it being the exception rather than the rule.

Sector Valuations



Source: Bloomberg, UOB Kay Hian

Consumer Sub-sectors' Performance Three Months Before And After Malaysia's Past Five General Elections

(%)	Retailers	Staples	Sin Stocks	FBMKLCI
GE11				
- 3m	30.7	(6.6)	(4.9)	17.5
+ 3m	12.1	5.2	0.0	(8.7)
GE12				
- 3m	16.3	7.1	7.0	(9.0)
+ 3m	(7.3)	(1.4)	5.2	(2.0)
GE13				
- 3m	(1.6)	7.8	12.7	3.8
+ 3m	(3.4)	11.2	(3.4)	5.3
GE14				
- 3m	(4.8)	7.5	4.8	1.5
+ 3m	17.6	7.5	12.9	(2.3)
GE15				
- 3m	1.5	2.8	0.7	(3.7)
+ 3m	9.7	8.3	7.5	1.9
Average				
- 3m	**8.4**	**3.7**	**4.1**	**2.0**
+ 3m	**5.7**	**6.1**	**4.4**	**(1.2)**

Source: Bloomberg

Peer Comparison

Company	Tickers	Rec	Share Price 14 Jul 26 (RM)	Target Price (RM)	Market Cap (RMm)	PE FY26F (x)	PE FY27F (x)	P/BV FY26F (x)	Yield FY26F (%)	Yield FY27F (%)
99 Speed Mart Retail Holdings	99SMART MK	BUY	3.62	3.80	30,408.0	41.1	37.7	12.5	0.6	1.6
Eco-Shop Marketing	ECOSHOP MK	BUY	1.48	1.70	8,520.2	28.2	24.0	6.1	0.7	1.8
Carlsberg Brewery Malaysia	CAB MK	BUY	16.10	21.50	4,922.5	13.1	12.5	13.3	6.9	7.5
Farm Fresh	FFB MK	HOLD	2.25	2.05	4,240.7	31.8	25.6	4.2	0.4	0.4
Fraser & Neave Holdings	FNH MK	BUY	29.30	38.70	10,746.6	15.7	13.1	2.3	2.2	2.7
Heineken Malaysia	HEIM MK	BUY	19.30	24.70	5,830.5	12.9	12.2	10.8	8.0	8.2
Mr DIY Group (M)	MRDIY MK	BUY	1.69	2.30	16,016.9	22.8	21.1	8.5	3.6	4.5
Nestle (Malaysia)	NESZ MK	HOLD	91.28	104.00	21,405.2	35.3	32.4	38.1	2.4	3.0
Oriental Kopi Holdings	KOPI MK	BUY	0.89	1.40	1,770.0	23.6	18.8	3.8	1.1	1.6
QL Resources	QLG MK	HOLD	3.90	4.00	14,200.6	30.0	28.7	3.5	0.6	1.4
Average					**11,806.1**	**25.5**	**22.6**	**10.3**	**2.6**	**3.3**

Source: Bloomberg, UOB Kay Hian

Consumer Sub-sectors' Performance Three Months Before And After Malaysia's Past Five General Elections

	RETAILERS			STAPLES								SIN STOCKS			FBMKLCI
	Amway	Padini	Avg vs FBMKLCI	Nestle (M)	Ajinomoto	Dutch Lady	F&N	DKSH	Spritzer	QL Resources	Avg vs FBMKLCI	Heineken	Carlsberg	Avg vs FBMKLCI	
GE11															
- 3m	1.5	94.8	30.7	6.7	4.3	3.0	5.6	18.2	15.1	23.2	(6.6)	17.9	7.3	(4.9)	17.5
+ 3m	1.5	5.3	12.1	(0.9)	(6.0)	5.8	1.0	(17.3)	(3.3)	(4.3)	5.2	(7.2)	(10.2)	0.0	(8.7)
GE12															
- 3m	5.5	9.0	16.3	(1.9)	(0.9)	0.8	(0.6)	(3.9)	(8.0)	0.8	7.1	(0.9)	(3.3)	7.0	(9.0)
+ 3m	0.8	(19.5)	(7.3)	2.9	(4.9)	5.7	2.0	(24.7)	(6.3)	1.4	(1.4)	2.8	3.7	5.2	(2.0)
GE13															
- 3m	5.5	(1.2)	(1.6)	5.4	1.2	9.3	(0.7)	49.8	18.0	(2.3)	7.8	12.4	20.6	12.7	3.8
+ 3m	3.2	0.6	(3.4)	7.8	2.4	1.5	3.4	38.3	44.3	17.9	11.2	(0.5)	4.3	(3.4)	5.3
GE14															
- 3m	2.0	(8.7)	(4.8)	18.0	14.2	5.7	15.0	(3.9)	6.3	7.8	7.5	1.0	11.5	4.8	1.5
+ 3m	(2.6)	33.3	17.6	8.0	(1.3)	0.0	9.0	4.7	(0.9)	17.2	7.5	14.1	7.3	12.9	(2.3)
GE15															
- 3m	(0.4)	(3.9)	1.5	(3.6)	(6.2)	(5.5)	(7.5)	9.6	0.0	6.9	2.8	(1.7)	(4.2)	0.7	(3.7)
+ 3m	9.3	13.9	9.7	4.1	26.3	(4.4)	23.7	2.6	11.4	7.7	8.3	14.5	4.3	7.5	1.9
Average															
- 3m			**8.4**								**3.7**			**4.1**	**2.0**
+ 3m			**5.7**								**6.1**			**4.4**	**(1.2)**

Source: Bloomberg

Latest And End-25 Key Commodities Prices And Forex Are Broadly Lower vis-à-vis 2025's Average

	Sugar (US$/lb)	Cocoa (US$/MT)	Coffee (US$/MT)	Milk Powder (US$/MT)	Palm Oil (RM/MT)	Wheat (US$/bu)	US$/RM	CNH/RM
2024 Average	20.74	8,226.9	4,274.0	2,691.4	4,223.4	572.6	4.576	0.6347
2025 Average	16.96	8,207.0	4,675.0	2,751.5	4,306.0	533.2	4.282	0.5954
End 2025	15.01	6,065.0	4,109.0	2,510.0	3,933.0	507.0	4.060	0.5814
YTD Average	14.46	4,017.3	3,725.7	3,288.1	4,358.9	583.5	3.990	0.5819
Latest	14.75	5,696.0	3,854.0	3,140.0	4,464.5	627.0	4.080	0.6012

MT: Metric tonne
lb: Pound
bu: Bushel
Source: Bloomberg

- **2026 outlook: Sector sales to be anchored by 99SM, Nestle (Malaysia) and MRDIY.** We project sector sales growth of 8.5% in 2026, with momentum extending into 2027 at 9.9%. Growth is primarily anchored by 99SM, Nestle (Malaysia) and MRDIY, which are projected to grow 11.1%, 7.8% and 10.3% respectively, and collectively account for 52.6% of sector sales. 99SM alone contributes about a third of the sector's incremental sales growth. Eco-Shop Marketing and Farm Fresh are standouts with mid-teens growth of 15.9% and 13.7% respectively, while Oriental Kopi Holdings' smaller base supports a steeper 38.9% sales uplift. In contrast, F&N is expected to remain broadly flattish at 0.2%, reflecting regional headwinds to its operations.
- **Sector margins to ease despite stronger top-line growth.** While sector revenue growth is expected to improve to 8.5% in 2026, core margin is projected to ease by 0.21ppt yoy to 8.58%. This reflects margin slippage from selected heavyweights, particularly F&N, where Agrivalley gestation costs continue to weigh, and Heineken Malaysia, where weaker volumes and sales adjustments have pressured earnings. Oriental Kopi Holdings also sees margin dilution from weaker gross margins and higher opex, while Carlsberg Brewery Malaysia faces some moderation from higher marketing spend and softer tourism-related risks. These are partly cushioned by stronger margins at MRDIY, Eco-Shop Marketing, Farm Fresh and 99SM. Consequently, sector core profit growth is expected to undershoot revenue growth, rising 5.9% yoy in 2026.

Valuation/Recommendation

- **Maintain MARKET WEIGHT: Holding ground, but upside remains limited.** The sector backdrop has shifted from a restrictive 2025 environment, marked by minimum wage hikes and subsidy rationalisation concerns, to emerging pockets of optimism supported by government cash handouts and VMY 2026. However, sentiment has recently been dampened by the Middle East conflict, while potential subsidy rationalisation and election-related uncertainties could further weigh on already lukewarm demand conditions. Despite this, sector valuations have remained resilient, rising 2.0% on average since the conflict began and modestly outperforming the FBMKLCI by 0.9%.
- Persistent external and domestic uncertainties and modest 2026/27 sector earnings growth of 8.6%/8.7% are balanced by sharply derated sector valuations, with the sector now trading at 22.8x one-year forward PE, around -1.5SD to its five-year mean. However, valuations may appear deceptively compelling, given the sector's structural derating over time, particularly among sin stocks and large defensives such as Nestle (Malaysia) and QL Resources (little incremental fund appetite relative to modest earnings growth over the years). This underpins our MARKET WEIGHT stance.
- **Top picks: 99SM, MRDIY and F&N.** 99SM continues to distinguish itself through operational excellence, resilient fundamentals, and a highly visible expansion runway. Meanwhile, MRDIY offers value and attractive dividend yields, backed by its capital management. Lastly, F&N is trading at a steep discount to its peers and its own historical valuations, with clear catalysts ahead to revive interest and narrow the gap.

Market Spotlight

Market News

In tandem with the uptrend in regional markets, the FBMKLCI advanced 21.50pt (+1.27%) to close at 1,719.94 yesterday. Meanwhile, Asian stock markets fell on Monday with South Korean shares tumbling more than 5%, as renewed tensions in the Middle East drove oil prices sharply higher, dampening investor appetite for risk and dragging technology stocks lower. The FBMKLCI's top gainers were Petronas Chemicals Group (+10.11%), Press Metal Aluminium Holdings (+4.3%) and Public Bank (+2.6%), while the top losers were Sunway Healthcare Holdings (-2.6%), IOI Corporation (-2.0 %) and Nestle (Malaysia) (-1.3%). In the broader market, losers outpaced gainers 548 to 538 with 585 counters unchanged. Turnover was 3.53b shares valued at RM2.75b.

US stocks were higher after the close on Tuesday, as gains in the technology, basic materials and oil & gas sectors led shares higher. At the close in NYSE, the Dow Jones Industrial Average rose 0.02%, while the S&P 500 Index added 0.38%, and the NASDAQ Composite Index gained 0.90%. Rising stocks outnumbered declining ones on the New York Stock Exchange by 1,574 to 1,143 and 95 ended unchanged; on the Nasdaq Stock Exchange, 1,736 fell and 1,631 advanced, while 194 ended unchanged. *(Sources: Investing.com)*

FBMKLCI, FCPO & FKLI Index Outlook

FBMKLCI

Source: UOBKH ChartGenie

FTSE Bursa Malaysia KLCI

Last close: 1,719.94

Expected moving range: 1,700– 1,730

Technical view:

In line with our earlier expectation, the FBMKLCI bucked regional sentiments and rose higher yesterday and managed to close high at 1,719.94. The bullish crossover in the MACD and an uptick in the RSI suggest buying pressure has started to gain traction, which could lead to further upside in the near term. Support and resistance levels are still maintained as follows:

Support: 1,625, 1,600

Resistance: 1,722, 1,751

FCPO

Source: Tradingview

Futures Crude Palm Oil (FCPO) Active Contract, 1 Hour Chart

Technical SELL with -3.1% potential downside

Trading SELL range: RM4,500-4,600

Last price: RM4,560

Target price: RM4,441, RM4,420

Resistance: RM4,600

Stop-loss: RM4,601

SELL with a target price of RM4,420 and stop-loss at RM4,601. Based on the chart, FCPO continued the bearish movement and closed lower at RM4,5460 yesterday. This bearish movement is supported by a downtick in the RSI and a bearish crossover in both the MACD and DMI indicators. We still maintained our targets at RM4,441 and RM4,420 in the near term.

Expected timeframe: One day to three days

FKLI

Source: Tradingview

FTSE Bursa Malaysia KLCI Futures (FKLI), 1 Hour Chart

Technical BUY with +0.69% potential return

Trading buy range: 1,685-1,695

Last price: 1,727

Target price: 1,731, 1,739

Support: 1,708

Stop-loss: 1,707

BUY with a target price of 1,739 and stop-loss at 1,707. Based on the chart, FKLI hit our both previous targets at 1,713 and 1,719 before continuing the bullish movement to the current level. This bullish movement is supported by an uptick in the RSI and bullish crossovers in both MACD and DMI indicators. We peg our new targets at 1,731 and 1,739 in the near term.

Expected timeframe: One day to three days

Traders' Corner

Source: UOBKH ChartGenie

Agmo Holdings (AGMO MK)

Technical BUY on breakout with +28.4% potential return

Trading buy range: RM0.335-0.34

Last price: RM0.32

Target price: RM0.395, RM0.43

Support: RM0.29

Stop-loss: RM0.285

BUY on breakout with a target price of RM0.43 and stop-loss at RM0.285. Based on the daily chart, AGMO has seen its share price recover gradually and move above the 7- and 21-day EMAs following yesterday's spike to close higher at RM0.32. This is supported by an uptick in the RSI and bullish crossover in the DMI, indicating that positive momentum would strengthen in the near term. We peg our targets at RM0.395 and RM0.43 in the near term.

Expected timeframe: Two weeks to two months

Note: Not available for CFD Trading

Source: UOBKH ChartGenie

Dayang Enterprise Holdings (DEHB MK)

Technical BUY with +13.1% potential return

Trading buy range: RM1.75-1.77

Last price: RM1.76

Target price: RM1.92, RM1.99

Support: RM1.62

Stop-loss: RM1.61

BUY with a target price of RM1.99 and stop-loss at RM1.61. Based on the daily chart, share price is recovering gradually and moved above the 7- and 21-day EMA lines yesterday, reversing its short-term downtrend. This is supported by the rising RSI and DMI indicators, which imply positive momentum will strengthen in the near term. We expect DEHB to continue to move towards the psychological resistance level of RM2.00 in the near term.

Expected timeframe: Two weeks to two months

Note: Not available for CFD Trading

Source: UOBKH ChartGenie

GDB Holdings (GDB MK)

Technical BUY with +27.7% potential return

Trading buy range: RM0.505-0.51

Last price: RM0.505

Target price: RM0.595, RM0.645

Support: RM0.47

Stop-loss: RM0.465

BUY with a target price of RM0.645 and stop-loss at RM0.465. Based on the daily chart, share price is climbing gradually after having established support at RM0.47. Positive readings in both the MACD and the RSI should translate into stronger momentum for the share price. Currently, the DMI is on the verge of making a golden cross to the positive signal. We peg our targets at RM0.595 and RM0.645 in the near term.

Expected timeframe: Two weeks to two months

Note: Not available for CFD Trading

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