UOBKayHian

Country Daily | Malaysia

Tuesday, 15 September 2026

Key Indices

	Prev Close	1D %	1W %	1M %	YTD %
DJIA	52,421.2	(0.3)	(1.9)	(2.4)	9.1
S&P 500	7,620.0	(0.5)	(1.3)	(2.1)	11.3
FTSE 100	10,697.6	0.4	(1.2)	(0.5)	7.7
AS30	8,923.9	0.0	(3.0)	(4.2)	(1.1)
CSI 300	4,480.1	(0.7)	(2.1)	(4.0)	(3.2)
FSSTI	5,718.0	0.4	(1.3)	(0.4)	23.1
HSCEI	8,284.6	0.5	(1.7)	(0.7)	(7.1)
HSI	24,917.6	0.5	(1.9)	(0.8)	(2.8)
JCI	6,534.7	(0.1)	(1.3)	2.1	(24.4)
KLCI	1,698.0	0.7	(1.0)	(1.7)	1.1
KOSPI	6,684.4	(3.3)	(4.4)	(4.2)	58.6
Nikkei 225	63,493.0	(0.8)	(4.4)	(7.6)	26.1
SET	1,591.1	(0.8)	(1.7)	(1.1)	26.3
TWSE	45,862.5	(0.7)	(3.1)	0.1	58.3
BDI	3,445	(1.8)	(3.6)	20.3	83.5
CPO (RM/mt)	4,594	(0.5)	(0.7)	1.1	16.8
Brent Crude (US$/bbl)	106	1.0	8.9	19.4	73.7

Source: Bloomberg

Corporate Events

	Venue	Begin	Close
17th Asian Gems Conference 2026 (Virtual)	Singapore	22 Sep	23 Sep
Post-results NDR with Sunny Optical (2382 HK)	Taipei	22 Sep	23 Sep
NDR with Food Empire Holdings Ltd (FEH SP)	Malaysia	08 Oct	08 Oct

Corporate and Macro Calendar

Economic Indicator/Event	Country/Region	Date
CPI	Malaysia	18 Sep
Trade Balance	Malaysia	18 Sep
Foreign Reserves	Malaysia	23 Sep

Top Stories

Company Update | MISC (MISC MK/**BUY**/RM7.81/Target: RM9.50) Page 2 →

- 1H26 core profit is deemed in line. The petroleum segment's stellar 2Q26 profit of US$232m reflects a strategic boost in its spot fleet mix to 30%, as MISC capitalised on high freight rates amid tensions in the Strait of Hormuz. The gas segment's operational performance aligns with our theory that LNG earnings have bottomed. While petroleum may revert to pre-war levels for 2H26, an M&A event is now the near-term risk. Maintain BUY; target price: RM9.50. Risk-averse investors can consider taking profit.

Market Spotlight

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- After treading in negative territory in the past few days, the FBMKLCI added 11.27pt to close at 1,698.01 yesterday due to buying interest in blue chips.
- US stocks were lower after the close on Monday, as losses in the industrials, basic materials and utilities sectors led shares lower.

Technical Analysis

FBMKLCI, FCPO & FKLI Index Outlook Page 6 →

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Aurelius Technologies | ATECH MK Page 8 →

- Trading Buy Range: RM0.80-0.805

Resintech | RESI MK Page 8 →

- Trading Buy Range: RM0.47-0.475

Samchem Holdings | SAHB MK Page 9 →

- Trading Buy Range: RM0.525-0.535

Disclaimer: In Traders' Corner, technical analysis is carried out purely based on charting patterns, price movements and trends, and is thus independent of the fundamental research views of our analysts. As a result, and from time to time, we may make a technical recommendation that is opposite to our fundamental BUY/HOLD/SELL rating.

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Company Update | Malaysia

Tuesday, 15 September 2026

MISC (MISC MK)

Tanker Boom Party Is Still On

Highlights

- **Share price has adequately retraced to reflect M&A event risks.** Following after its strong 2Q26 results, we still like the stock's long-term strategy. However, we had previously expected share price to underperform in 2H26 relative to 1H26. Since then, share price has retraced by about 8%.
- **The tanker boom supercycle may be stronger this time vs 1H26.** Unlike the past, tankers are now increasingly being considered as strategic assets for energy security. Considering that MISC is the only local listed proxy, we see trading opportunities for investors to capitalise on the tanker boom. We also assume that there is still upside to consensus near-term earnings forecast for the petroleum division. Maintain BUY, with a target price of RM9.50.

Analysis

- **VLCC spot rates recently hit US$1m.** The surge in tanker rates is due to inefficiencies arising from the effective closure of the Strait of Hormuz since the onset of the US-Iran war. The Middle East situation has been increasingly volatile, including severe US-Iran kinetic re-engagements in the Straits, alongside Houthi forces recently closing in on the Bab el-Mandeb Strait, which caused a major prolonged disruption of Saudi oil flows to the Red Sea. These decoupled VLCC earnings and pushed rates to all-time highs. For the week ending 4 Sep 26, average VLCC daily spot rates closed at US$376,871, but several reports cited VLCC rates for Gulf-China routes were over US$800,000.
- **2026 tanker boom exceeded only once, by 2004-2008 supercycle.** That supercycle was a demand-driven multi-year boom as China's economy accelerated after it joined the World Trade Organisation. The 2026 cycle is being driven by supply-side, factor-specific disruptions caused by vessel supply constraints, global maritime chokepoints, and sanctions, which have created inefficiencies and extended routes, boosting tonne-miles even as demand declines.

Key Financials

Year to 31 Dec (RMm)	2024	2025	2026F	2027F	2028F
Net turnover	13,237	11,146	12,889	13,613	13,727
EBITDA	4,223	4,780	4,692	5,285	5,199
Operating profit	1,284	2,226	2,987	3,432	3,181
Net profit (rep./act.)	1,194	1,700	2,676	3,109	2,865
Net profit (adj.)	2,340	2,368	2,676	3,109	2,865
EPS (x)	52.4	53.1	60.0	69.6	64.2
PE (x)	16.8	16.7	14.8	12.6	13.8
P/B (x)	1.1	1.2	1.1	1.1	1.1
EV/EBITDA (x)	10.0	10.0	8.9	8.2	7.5
Dividend yield (%)	4.1	4.1	4.4	4.1	4.4
Net margin (%)	14.9	9.0	18.5	20.8	22.8
Net debt/(cash) to equity (%)	23.4	19.9	23.0	23.4	24.0
Consensus net profit			2,481	2,668	2,781
UOBKH/Consensus (x)			1.08	1.16	1.03

Source: MISC, Bloomberg, UOB Kay Hian

Analyst(s)

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BUY (Maintained)

Share Price	RM7.81
Target Price	RM9.50
Upside	+12.0%

Stock Data

Sector	Energy
Bloomberg ticker	MISC MK
Shares issued (m)	4,463.7
Market cap (RMm)	37,853.0
Market cap (US$m)	9,346.0
3-mth avg daily t'over (US$m)	1.25

Price Performance (%

52-week high/low				RM0.37/RM0.20
1mth	3mth	6mth	1yr	YTD
4.4	4.8	5.1	11.7	8.0

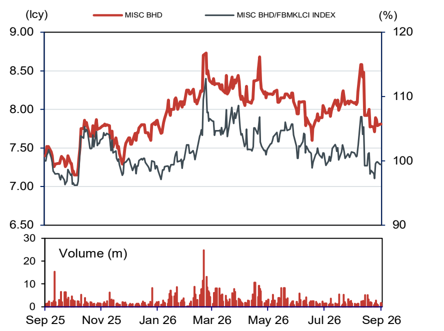
Major Shareholders (%)

Petronas	51.1
EPF	12.5

Balance Sheet Metrics

FY26 NAV/Share (RM)	RM6.15
FY26 Net Debt/Share (RM)	n.m.

Price Chart



Source: Bloomberg

Company Description

Shipping company. It employs finance lease accounting for assets in which it has long-term charter contracts, especially Liquefied Natural Gas Carriers (LNGC) and Very Large Ethane Carriers (VLEC). Within its petroleum fleet, it operates Very Large Crude Carriers (VLCC), mid-sized tankers (MST), and Dynamic Positioning Shuttle Tankers (DPST). The offshore division operates Floating, Production, Storage and Offloading (FPSO) vessels, including FPSO Marechal Duque de Caxias (Mero-3). It is also the parent company of Malaysia Marine & Heavy Engineering (MMHE).

- **Bull run spreads to tanker asset values.** A VLCC newbuild (2026) at Hengli was reportedly sold to Iraqi buyers for US$200m, far above the 65-year average of US$120m. Kpler also suggested VLCC daily earnings could stay above US$100,000, which is more than double historical levels. While Brent exceeded US$100/bbl, the more drastic response in freight shows that tanker security has taken centre stage over crude/feedstock security. Note that Kuwait Petroleum is seriously considering adding its own strategic tanker fleet, following Abu Dhabi National Oil Co's (ADNOC) buying spree.
- **Recap: Petroleum division had strongest quarterly profit on record.** The segment's 2Q26 profit of US$232m alone already matched American Eagle Tankers' (AET) 2023 profit base of US$236m. Stripping out the US$23m net income adjustment for two MCVs and a US$34m VLCC disposal gain, the petroleum segment's 2Q26 profit was still US$175m vs 1Q26's US$129m (which contained a US$40m VLCC disposal gain). Note that prior to this, the petroleum segment's quarterly PAT had never hit US$100m. In line with other public listed crude tanker peers' 2Q26 review, AET also benefitted by strategically boosting its spot mix to 30% from <20% previously. If we assume MISC continues to actively manage its crude tanker fleet with the same intensity demonstrated in 2Q26, MISC could positively surprise the market with its 2H26 earnings.
- **Gas carriers do not enjoy the same recovery as tankers.** Vortexa believes that that LNG carrier (LNGC) and LNG supply may not be in balance until 2028, when new LNG supply terminals operational start make aaaaaaZ.

Valuation/Recommendation

- **Maintain BUY, with an SOTP-based target price of RM9.50** implying 14x 2027F PE. We retain our 25% LNG discount in our SOTP to account for LNGC impairment risks in the 2026 horizon, although LNGC earnings appear to have reached a bottom at this juncture. We retain the high 1.4x P/B valuation for petroleum to factor in positive trading sentiment even though spot rates have reverted to pre-war levels.
- **Range-bound, trading opportunity possible.** We earlier took the view that, despite our fundamental liking for the stock, MISC was unlikely to replicate its commendable 1H26 price outperformance in 2H26. This was primarily because MISC has confirmed that it is considering the privatisation of Yinson. Also, the deal's timing uncertainties and MISC's financial appetite (net debt/EBITDA of 3x) may contribute to a volatile outcome; hence, we advise risk-averse investors to wait and see.
- **However, we now see that share price has adequately retraced.** Considering that MISC is the only local listed proxy, we see trading opportunities for investors to capitalise on the tanker boom. We also assume that there is still upside to consensus near-term earnings forecast for the petroleum division.

Earnings Revision/Risk

- **Maintain forecasts**, as each segment's outlook is as per our expectation. For the petroleum segment, we may consider changing our forecasts after monitoring developments over the next few weeks.

Tanker TCE* Earnings

				last 12 months		
		04 Sept	w-o-w %	min	avg	max
Baltic tanker indices						
BDTI		2,805	1.0%	1,066	2,024	3,737
BCTI		1,427	2.9%	544	1,159	2,202
VLCC						
VLCC-TCE	$/day	$ 376,871	12.8%	$ 37,869	$ 163,923	$ 376,87
1 year period	$/day	$ 141,000	4.6%	$ 43,250	$ 92,910	$ 141,0
Suezmax						
Suezmax-TCE	$/day	$ 151,494	-18.1%	$ 56,045	$ 124,965	$ 296,5
1 year period	$/day	$ 93,750	-0.3%	$ 35,750	$ 60,712	$ 94,00
Aframax						
Aframax-TCE	$/day	$ 64,556	-6.0%	$ 33,625	$ 76,420	$ 232,6
1 year period	$/day	$ 63,000	-0.4%	$ 30,000	$ 49,090	$ 71,25

** Time Charter Equivalent (TCE)*
Source: Allied Shipping Weekly

Environmental, Social, Governance (ESG) Updates

Environmental

- **Carbon (CO2) reduction.** Adding new vessels with LNG-dual/ ammonia fuel to meet IMO aspirations (50% greenhouse gas & 70% CO2 reduction by 2050.
- **Safety (HSE).** Lost Time Injury Frequency (LTIF) quadrupled to 0.20 and missed the target of 0.17 in 2025, due to one fatality. Corrective measures had been undertaken.

Social

- Diversity. >40% female proportion among onshore staff.

Governance

- Achieved 5/5 rating (FTSE4Good) for governance & supply chain management.

Source: UOB Kay Hian

Profit & Loss

Year to 31 Dec (RMm)	2025	2026F	2027F	2028F
Net turnover	**11,146**	**12, 889**	**13,613**	**13,727**
EBITDA	4,780	4,692	5,285	5,199
Deprec. & amort.	18,865	18,159	17,704	17,602
Associate contributions	29	312	330	312
Pre-tax profit	**2,226**	**2,987**	**3,432**	**3,181**
Tax	(124)	(63)	(72)	(71)
Minorities	(38)	(249)	(251)	(245)
Net profit	**1,700**	**2,676**	**3,109**	**2,865**
Net profit (adj.)	2,368	2,676	3,109	2,865

Balance Sheet

Year to 31 Dec (RMm)	2025	2026F	2027F	2028F
Fixed assets	20,863	22,963	25,063	27,163
Other LT assets	27,848	28,266	29,018	29,778
Cash/ST investment	3,747	3,522	2,652	1,666
Other current assets	3,716	3,748	3,849	3,953
Total assets	**53,014**	**55,228**	**57,607**	**59,979**
ST debt	6,651	6,401	5,901	5,401
Other current liabilities	7,196	6,999	7,037	7,102
LT debt	8,402	8,152	7,652	7,152
Other LT liabilities	3,451	3,451	3,451	3,451
Minority interest	3,711	3,978	4,245	4,512
Total liabilities & equity	**53,014**	**55,228**	**57,607**	**59,979**

Cash Flow

Year to 31 Dec (RMm)	2025	2026F	2027F	2028F
Operating	**4,277**	**4,753**	**5,296**	**5,904**
Pre-tax profit	1,284	2,746	3,041	3,482
Tax	74	(58)	(64)	(73)
Other operating cashflows	2,919	2,064	2,319	2,495
Investing	**(1,192)**	**(2,627)**	**(3,827)**	**(3,827)**
Capex (growth)	(1,985)	(4,620)	(4,620)	(4,620)
Others	793	1,993	793	793
Financing	**(4,166)**	**(2,011)**	**(2,011)**	**(2,011)**
Others/interest paid	(4,166)	(2,011)	(2,011)	(2,011)
Net cash inflow (outflow)	**(1,080)**	**115**	**(542)**	**67**
Beginning cash & cash equivalent	**7,732**	**6,677**	**6,793**	**6,252**
Changes due to forex impact	25	1	1	1
Ending cash & cash equivalent	**6,677**	**6,793**	**6,252**	**6,320**

Key Metric

Year to 31 Dec (%)	2025	2026F	2027F	2028F
Profitability				
EBITDA margin	46.4	48.7	49.7	50.5
Pre-tax margin	8.5	15.0	21.6	24.4
Net margin	3.1	5.2	8.6	10.1
ROA	0.7	1.3	2.2	2.7
ROE	1.8	3.1	5.3	6.3
Growth				
Turnover	(47.4)	0.9	2.7	2.8
EBITDA	(50.9)	5.7	4.9	4.4
Pre-tax profit	(61.2)	78.7	48.1	16.2
Net profit	(54.4)	70.7	68.8	20.3
Net profit (adj.)	(53.8)	3.2	11.7	16.1
EPS	(6.3)	24.0	38.5	60.8
Leverage				
Debt to total capital	40.4	40.2	40.4	40.2
Debt to equity	41.2	41.3	41.7	41.6
Net debt/(cash) to equity	23.4	23.6	25.9	26.2
Interest cover	5.8	7.0	7.6	8.2

Market Spotlight

Market News

After treading in negative territory in the past few days, the FBMKLCI added 11.27pt to close at 1,698.01 yesterday due to buying interest in blue chips. Meanwhile, Asian stocks fell on Monday as concerns over a slower pace of artificial-intelligence development intensified pressure on technology shares, while oil prices remained above $100 a barrel and raised the risk of tighter monetary policy. The FBMKLCI's top gainers were IOI Corporation (+4.2%), Petronas Chemicals Group (+3.5%) and Axiata Group (+2.4%), while the top losers were 99 Speed Mart Retail Holdings (-4.7%), Sunway Bhd (-1.3%) and Telekom Malaysia (-1.3%). In the broader market, losers outpaced gainers 763 to 422 with 498 counters unchanged. Turnover was 3.19b shares valued at RM2.79b.

US stocks were lower after the close on Monday, as losses in the industrials, basic materials and utilities sectors led shares lower. At the close in NYSE, the Dow Jones Industrial Average lost 0.29%, while the S&P 500 Index lost 0.48%, and the NASDAQ Composite Index lost 0.56%. Falling stocks outnumbered advancing ones on the New York Stock Exchange by 1,635 to 1,070 and 95 ended unchanged; on the Nasdaq Stock Exchange, 1,736 fell and 1,654 advanced, while 206 ended unchanged. (*Sources: Investing.com)*

FBMKLCI, FCPO & FKLI Index Outlook

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FBMKLCI

Source: UOBKH ChartGenie

FTSE Bursa Malaysia KLCI

Last close:	1,698.01
Expected moving range:	1,677-1,720

Technical View:

The FBMKLCI recovered from an earlier pullback and made a technical rebound yesterday. Despite failing to surge past the psychological resistance at the 1,700 level in the past few days, the index was pretty much in positive mode, backed by the bullish sentiment in Asian markets. We remain positive on the short-term outlook but the selling pressure must be fully absorbed for the index to go higher. We expect the uptrend to resume once selling pressure eases. Support and resistance levels are still maintained as follows:

Support: 1,677, 1,652

Resistance: 1,753, 1,770

FCPO

Source: TradingView

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

Technical BUY with +4.1% potential return

Trading BUY range:	RM4,900-5,020
Last price:	RM4,896
Target price:	RM5,029, RM5,099
Support:	RM4,795
Stop-loss:	RM4,794

BUY with a target price of RM5,099 and stop-loss at RM4,794. Based on the chart, FCPO continued the bullish movement and closed at RM4,896 yesterday. This bullish movement is supported by an uptick in RSI and bullish crossover in both MACD and DMI indicators. We still maintained our targets at RM5,029 and RM5,099 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 2.3% potential return

Trading BUY range:	1,650-1,670
Last price:	1,674
Target price:	1,699, 1,713
Support:	1,650
Stop-loss:	1,649

BUY with a target price of 1,713 and stop-loss at 1,649. Based on the chart, FKLI continued the bullish movement and closed higher at 1,674 yesterday. This bullish movement is supported by an uptick in the RSI and bullish crossovers in the MACD. We still maintained our targets at 1,699 and 1,713 in the near term.

Expected timeframe: One day to three days

Traders' Corner

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Source: UOBKH ChartGenie

Elridge Energy Holdings ELRIDGE MK

Technical BUY with +15.1% potential return

Trading BUY range:	RM0.895-090
Last price:	RM0.87
Target price:	RM0.97, RM1.03
Support:	RM0.83
Stop-loss:	RM0.825

BUY with a target price of RM1.03 and stop-loss at RM0.825. The chart shows the upside trend remains intact if the stock can penetrate RM0.895. Currently, both the MACD and the RSI show a positive signal to support the upward momentum. This is supported by a bullish crossover in the EMA-7 and EMA-21. We peg our targets at RM0.97 and RM1.03 in the near term.

Expected timeframe: Two weeks to two months

Note: Not available for CFD Trading

Source: UOBKH ChartGenie

Menang Corporation (M) MEN MK

Technical BUY on breakout with +22.7% potential return

Trading BUY range:	RM0.705-0.71
Last price:	RM0.68
Target price:	RM0.795, RM0.865
Support:	RM0.63
Stop-loss:	RM0.625

BUY on breakout with a target price of RM0.865 and stop-loss at RM0.625. Based on the daily chart, MEN formed higher highs and higher lows that indicate an uptrend. Currently, positive readings in the RSI and the DMI should boost share price as MEN looks set to resume its uptrend. We peg our targets at RM0.795 and RM0.865 if the stock penetrates the breakout level at RM0.705.

Expected timeframe: Two weeks to two months

Note: Not available for CFD Trading

Source: UOBKH ChartGenie

Nextgreen Global
NGB MK

Technical BUY on breakout with +12.2% potential return

Trading BUY range:	RM0.735-0.74
Last price:	RM0.71
Target price:	RM0.795, RM0.825
Support:	RM0.68
Stop-loss:	RM0.675

BUY on breakout with a target price of RM0.825 and stop-loss at RM0.675. The stock consolidated within the BBI line and yesterday's closing above the BBI sets a new tone for the short-term outlook. We expect NGB to continue moving up once it penetrates the breakout level of RM0.735. The bullish bias has been established following an uptick in the RSI and bullish crossover in MACD. We peg our targets at RM0.795 and RM0.825 once it manages to penetrate above the breakout level of RM0.735.

Expected timeframe: Two weeks to two months

Note: Not available for CFD Trading

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