UOBKayHian

Country Daily | Malaysia

Thursday, 17 September 2026

Key Indices

	Prev Close	1D %	1W %	1M %	YTD %
DJIA	51,461.9	(1.2)	(1.8)	(4.2)	7.1
S&P 500	7,551.8	(0.4)	(1.1)	(3.0)	10.3
FTSE 100	10,688.5	0.3	0.2	(0.6)	7.6
AS30	8,874.5	0.3	(2.5)	(4.4)	(1.6)
CSI 300	4,480.3	0.7	(2.0)	(5.5)	(3.2)
FSSTI	5,635.4	(0.1)	(1.6)	(2.3)	21.3
HSCEI	8,206.4	0.0	(1.9)	(2.8)	(7.9)
HSI	24,713.8	0.2	(2.2)	(1.6)	(3.6)
JCI	6,436.9	(0.4)	(3.6)	0.5	(25.6)
KLCI	1,679.2	(1.1)	(2.1)	(2.7)	(0.1)
KOSPI	6,718.0	1.4	(4.7)	(3.7)	59.4
Nikkei 225	63,923.0	0.7	(1.9)	(7.7)	27.0
SET	1,562.7	(1.0)	(3.4)	(3.9)	24.1
TWSE	45,848.9	0.7	(2.8)	(0.0)	58.3
BDI	3,327	(1.0)	(8.1)	16.2	77.3
CPO (RM/mt)	4,611	0.4	(1.1)	1.9	17.2
Brent Crude (US$/bbl)	106	(2.7)	4.6	19.6	73.9

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
New Economy Conference at The Ritz Carlton Hotel	Malaysia	07 Oct	07 Oct
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 | CapitaLand Malaysia Trust (CLMT MK/**BUY**/RM0.585/Target: RM0.80) Page 2 →

- CLMT continues to look for opportunities to expand its industrial portfolio in Johor, supported by improving cross-border connectivity, incentives under the JS-SEZ, and CapitaLand's established business network in Singapore. We came away from the site visit with a more positive view on the leasing prospects for i-TechValley, supported by a robust pipeline of enquiries. Maintain BUY with a target price of RM0.80. CLMT remains one of our top picks, offering attractive yields of 8.9% and 9.3% for 2026 and 2027.

Company Update | Fraser & Neave Holdings (FNH MK/**BUY**/RM23.12/Target: RM36.00) Page 6 →

- Despite the challenging times, F&N appears to have weathered the worst of its headwinds as the outlook going forward appears brighter. Improving operational indices from the dairy segment and resilient demand from Cambodia sans-Thailand point towards better times ahead. However, we note that the expansion of its dairy production may be sidelined for now as focus shifts to operational efficiency. Maintain BUY with a lower target price of RM36.00 (from RM38.70) as we trim our forecasts for dairy earnings.

Market Spotlight

Page 9 →

- The FBMKLCI ended in negative territory on Tuesday as the index dropped 18.80pt to close at 1,679.21, as support from selective buying was negated by sustained selling pressure on blue chips.
- US stocks were lower after the close on Wednesday, as losses in the telecommunications, oil & gas and financials sectors led shares lower.

Technical Analysis

FBMKLCI, FCPO & FKLI Index Outlook Page 10 →

Traders' Corner Page 12 →

Star Media Group | STAR MK Page 12 →

- Trading Buy Range: RM0.30-0.31

Yinson Holdings | YNS MK Page 12 →

- Trading Buy Range: RM2.10-2.15

Homeritz Corporation | HMCB MK Page 13 →

- Trading Buy Range: RM0.415-0.42

CapitaLand Malaysia Trust (CLMT MK)

Robust Enquiries For i-TechValley Assets

Highlights

- CLMT continues to look for opportunities to expand its industrial portfolio in Johor, supported by improving cross-border connectivity, incentives under the JS-SEZ, and CapitaLand's established business network in Singapore.
- We came away from the site visit with a positive view on the leasing prospects for i-TechValley, supported by a robust pipeline of enquiries. The assets are expected to generate a net yield of 6.0-6.5%, with rental rates of RM2.50-2.80psf.
- Maintain BUY with an unchanged target price of RM0.80. CLMT remains one of our top picks, offering attractive yields of 8.9% and 9.3% for 2026 and 2027 respectively.

Analysis

- **TechValley a key asset to watch for in 2027.** We conducted a site visit to CapitaLand Malaysia Trust's (CLMT) Johor industrial locations at Nusajaya Tech Park (NTP), Senai Airport City (SAC) and i-TechValley. Recall that in Dec 25, CLMT entered into a forward-purchase agreement to acquire five detached factories in i-TechValley from subsidiaries of AME Elite for RM220.8m, with a total built-up area of about 524,000sf and progressive completion targeted from 1Q27 to 1Q28. The forward-purchase arrangement appears favourable on hindsight as CLMT had locked in the acquisition price amid rising land and construction costs, while the scarcity of remaining land within i-TechValley should also support demand.
- **Leasing enquiries for i-TechValley remain robust,** mainly from high-tech manufacturing and semiconductor related companies looking to expand from Singapore into Johor. Enquiries are supported by Capitaland's established industrial network in Singapore, where it works with EDB Singapore and industry associations. However, we gather that prospective tenants generally prefer facilities that are immediately available, which makes it more difficult to secure firm commitments while the factories are still under construction. Nevertheless, CLMT remains confident in securing tenants once the facilities are completed, at rental rates of RM2.50-2.80psf, which would imply a gross yield of >7.3% and net yield of 6.0-6.5%.

Key Financials

Year to 31 Dec (RMm)	2024	2025	2026F	2027F	2028F
Net turnover	454.8	476.8	508.3	523.2	538.5
Operating profit	234.3	257.5	277.3	285.8	292.2
Net profit (rep./act.)	187.2	181.7	179.7	187.3	192.3
Net profit (adj.)	138.3	161.5	179.7	187.3	192.3
EPU (sen)	4.8	4.8	5.3	5.5	5.7
DPU (sen)	4.7	4.8	5.2	5.4	5.6
PE (x)	12.2	12.1	11.0	10.6	10.3
P/B (x)	0.6	0.6	0.6	0.6	0.6
DPU Yld (%)	7.9	8.3	8.9	9.3	9.5
Net margin (%)	30.4	33.9	35.3	35.8	35.7
Net debt/(cash) to asset (%)	39.6	37.4	36.9	37.0	37.1
Interest cover (x)	2.5	2.7	2.9	2.9	3.0
Consensus DPU (sen)	-	-	5.2	5.3	5.6
UOBKH/Consensus (x)	-	-	1.0	1.0	1.0

Source: CLMT, Bloomberg, UOB Kay Hian

Analyst(s)

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BUY (Maintained)	
Share Price	RM0.585
Target Price	RM0.80
Upside	36.8%

Stock Data

Sector	Real Estate
Bloomberg ticker	CLMT MK
Shares issued (m)	3,365.1
Market cap (RMm)	1,985.4
Market cap (US$m)	493.3
3-mth avg daily t'over (US$m)	0.2

Price Performance (%)

52-week high/low				RM0.7 /RM0.58
1mth	3mth	6mth	1yr	YTD
(4.8)	(4.1)	(11.9)	(4.8)	(5.6)

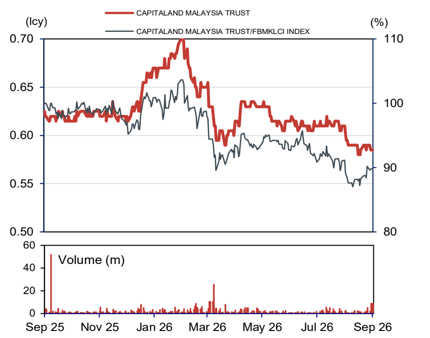
Major Shareholders (%)

CMMT Investment	32.4
Employees Provident Fund	18.2
DFA Investment Dimensions Group	16.2
Amanah Saham Nasional	11.0

Balance Sheet Metrics

FY26 NAV/Share (RM)	0.93
FY26 Net Debt/Share (RM)	0.62

Price Chart



Source: Bloomberg

Company Description

CapitaLand Malaysia Trust is a real estate investment trust. The trust makes long-term investments in income-producing real estate primarily used for retail purposes and located in Malaysia.

- **NTP provides an established tenant base.** CLMT completed the acquisition of three Iskandar Puteri Facilities in Oct 25, located within Nusajaya Tech Park (NTP), an integrated industrial park jointly developed by CapitaLand and UEM Sunrise. The assets are leased to Edmund Optics, which occupies two factories, and Altek Medical, which occupies one, under six-year leases with renewal options for another six years. We also understand that Altek Medical operates two adjacent facilities of its own, with CLMT owning the factory in between, which in our view should support tenant stickiness given its established operations at the location.
- **SAC offers longer, staggered lease expiries.** CLMT completed the acquisition of three factories at SAC in Sep 25, which are fully committed with a WALE of 7.5 years. The three assets carry lease terms of seven, 10 and six years, respectively, with built-in rental escalations, providing a staggered expiry profile and reducing concentration of renewal risk. Management indicated that industrial leases generally carry an annual rental step-up of around 2%.
- **Other key takeaways.** More broadly, CLMT's Johor portfolio is focused on highquality industrial facilities. Within logistics, management tends to prefer distribution centres leased directly to established brands or serving regional markets, given stronger tenant credit quality and greater tenant stickiness from the operational set-up and fit-out invested in the facilities. Management sees the 50,000-150,000sf segment as the sweet spot for leasing, given the broader occupier pool. This should also translate into lower reletting risk compared with larger built-to-suit facilities.
- **Further room to scale industrial exposure.** CLMT currently has around RM433m of industrial and logistics assets in Malaysia, which will increase to ~RM650m upon completion of the five i-TechValley factories, lifting the segment to approximately 11.5% of portfolio AUM. This compares with management's target of 20% by 2028. Including i-TechValley, CLMT will have 11 factories in Johor, with management seeing potential to expand towards 20-30 over time. We believe CLMT stands to benefit from the JS-SEZ, with improved cross-border connectivity through the RTS Link and business facilitation measures making Johor increasingly accessible to Singapore-based companies. CapitaLand's established Singapore network should also provide an additional tenant-sourcing channel.

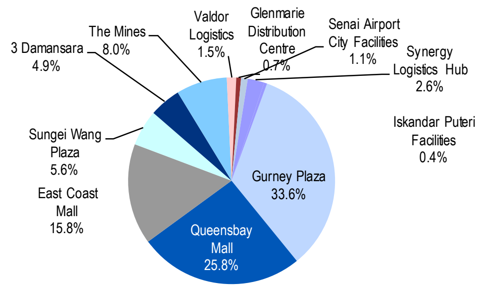
Valuation/Recommendation

- **Maintain BUY with an unchanged target price of RM0.80.** We remain positive on CLMT for its attractive dividend yield of 9%. Our DDM-based target price implies a 6.5% 2026 dividend yield (vs 10-year mean of 6.1%), based on a required rate of return of 8.5% and terminal growth rate of 1.5%.

Earnings Revision/Risk

- No earnings revision.

Revenue Breakdown (2Q26)



Source: CLMT, UOB Kay Hian

12-month Forward Yield Spread To MGS At 492bp

Source: CLMT, UOB Kay Hian

Environment, Social, Governance (ESG) Updates

Environmental

- CLMT is committed to working towards the long-term and annual targets under CapitaLand's 2030 SMP Framework to: a) cut carbon emission intensity by 78% by 2030, b) lower energy intensity by 35% by 2030, and c) reduce water intensity by 45% by 2030 (using 2009 as base year).

Social

- About 20% of senior management comprises women. Staff engagement score was 81% with 98% survey participation.

Governance

- The Board comprises five independent directors and three non-independent directors. Female representation on the Board is 12.5%. There are four Board Committees – Audit Committee, Executive Committee, Nomination Committee and Remuneration Committee.

Source: CLMT, UOB Kay Hian

Location Plan Of CLMT Sites

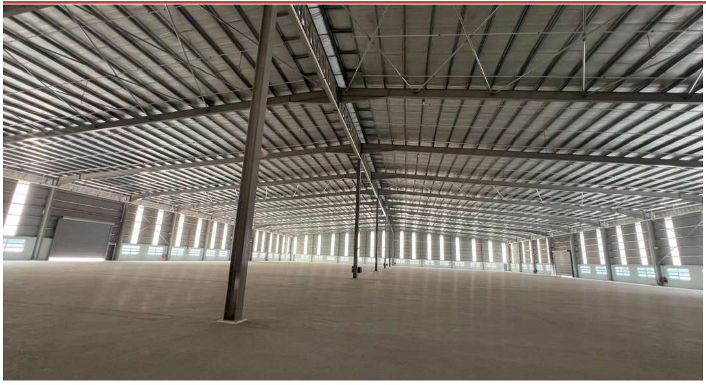
Five industrial facilities within i-TechValley, Iskandar Puteri

Source: CLMT, UOB Kay Hian

CLMT's Site Under Construction In i-TechValley

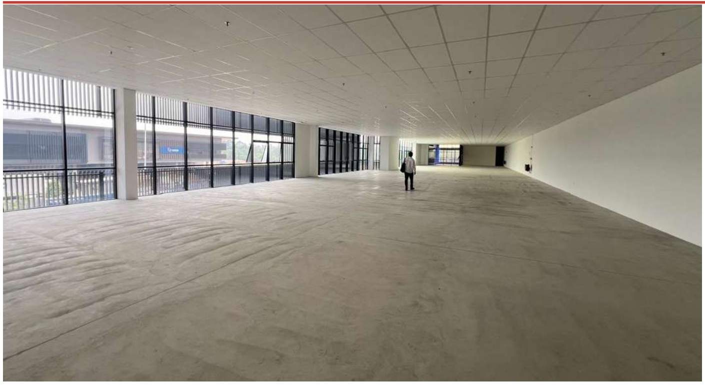
Source: CLMT, UOB Kay Hian

Exterior Of The Factory In i-Tech Valley



Source: Bloomberg, UOB Kay Hian

Interior Of The Factory In i-Tech Valley



Source: Bloomberg, UOB Kay Hian

One Of The Iskandar Puteri Facilities At NTP

Source: CLMT, UOB Kay Hian

One Of The Assets At SAC

Source: CLMT, UOB Kay Hian

One Of The Assets At SAC

Source: CLMT, UOB Kay Hian

One Of The Assets At SAC

Source: CLMT, UOB Kay Hian

Profit & loss

Year to 31 Dec (RMm)	2025	2026F	2027F	2028F
Net turnover	**477**	**508**	**523**	**539**
EBITDA	259	280	289	295
Deprec. & amort.	2	3	3	3
EBIT	257	277	286	292
Associate contributions	0	0	0	0
Net interest income/(expense)	(96)	(98)	(98)	(100)
Pre-tax profit	**186**	**180**	**187**	**192**
Tax	(4)	0	0	0
Minorities	0	0	0	0
Net profit	**182**	**180**	**187**	**192**
Net profit (adj.)	161	180	187	192

Balance Sheet

Year to 31 Dec (RMm)	2025	2026F	2027F	2028F
Fixed assets	5,494	5,514	5,534	5,554
Other LT assets	4	4	4	4
Cash/ST investment	83	129	148	166
Other current assets	40	39	40	41
Total assets	**5,621**	**5,687**	**5,726**	**5,765**
ST debt	121	121	121	121
Other current liabilities	250	270	273	277
LT debt	2,065	2,105	2,145	2,185
Other LT liabilities	0	0	0	0
Shareholders' equity	3,185	3,191	3,187	3,182
Minority interest	0	0	0	0
Total liabilities & equity	**5,621**	**5,687**	**5,726**	**5,765**

Cash flow

Year to 31 Dec (RMm)	2025	2026F	2027F	2028F
Operating	**303**	**310**	**291**	**298**
Profit fo the year	186	180	187	192
Tax	(4)	0	0	0
Deprec. & amort.	2	3	3	3
Associates	0	0	0	0
Working capital changes	22	30	3	3
Non-cash items	0	0	0	0
Other operating cashflows	98	98	98	100
Investing	**(335)**	**(20)**	**(20)**	**(20)**
Capex (growth)	(31)	(20)	(20)	(20)
Investment	4	4	4	4
Others	(308)	(4)	(4)	(4)
Financing	**33**	**(243)**	**(253)**	**(260)**
Dividend payments	(131)	(184)	(192)	(197)
Proceeds from borrowings	675	40	40	40
Loan repayment	(657)	0	0	0
Others/interest paid	147	(99)	(101)	(103)
Net cash inflow (outflow)	**2**	**46**	**18**	**18**
Beginning cash & cash equivalent	**81**	**83**	**129**	**148**
Changes due to forex impact	0	0	0	0
Ending cash & cash equivalent	**83**	**129**	**148**	**166**

Key Metric

Year to 31 Dec (%)	2025	2026F	2027F	2028F
Profitability				
EBITDA margin	54.4	55.1	55.1	54.8
Pre-tax margin	38.9	35.3	35.8	35.7
Net margin	38.1	35.3	35.8	35.7
ROA	3.3	3.2	3.3	3.3
ROE	6.0	5.6	5.9	6.0
Growth				
Turnover	4.8	6.6	2.9	2.9
EBITDA	9.8	8.0	3.0	2.2
Pre-tax profit	(5.0)	(3.2)	4.2	2.7
Net profit	(2.9)	(1.1)	4.2	2.7
Net profit (adj.)	16.8	11.3	4.2	2.7
EPU	1.0	9.6	4.2	2.7
Leverage				
Debt to total capital	40.7	41.1	41.6	42.0
Debt to equity	68.6	69.8	71.1	72.5
Net debt/(cash) to equity	66.0	65.7	66.5	67.3
Interest cover (x)	2.7	2.9	2.9	3.0

Fraser & Neave Holdings (FNH MK)

Weathering The Perfect Storm

Highlights

- Despite recently challenging times, F&N appears to have weathered the worst of its headwinds as earnings are set to improve going into FY27.
- AgriValley losses are set to narrow as F&N ramps up production, although contributions may be further out as short-term focus remains on the optimisation of its production vs expansion.
- Softness in Cambodia stemming from the border conflict is also set to improve as F&N scales up both its exports from Malaysia as well as the local manufacturing plant.
- Maintain BUY with a lower target price of RM36.00 as we shift dairy contribtutions slightly further out. Nonetheless, F&N's current bargain valuations offer an attractive entry point.

Analysis

- **Relief as perfect storm relents.** While Fraser & Neave Holdings (F&N) continues to face challenging times, improving operational indices signal better times ahead. Losses from the dairy segment appear to have bottomed out and while Cambodia continues to be challenging following the Cambodia-Thailand border conflict, increasing exports from Malaysia and steady progress on the local manufacturing plant indicate that the worst of times may be behind them.
- **Dairy yields improving…** Yields for F&N's dairy segment have improved to ~30 litres/cow/day (from ~25 litres in 3QFY26) as the group continues to develop its dairy farms. Currently, the stable of milking cows remains steady at over 3,000 with F&N's target of 10,000 cows by 2029 remaining largely intact. The initial batch of milking cows have also begun yielding again, with production expected to improve in subsequent lactations (see overleaf table for details). We also note that market share for F&N's ultra-high temperature (UHT) milk has improved from 1-2% previously to 5-6%. We understand that F&N's focus for now remains on growing the UHT market vs competing aggressively for market share, and we expect F&N to eventually diversify into higher-value products (chilled milk, yoghurt, etc) once its UHT segment begins to deliver.

Key Financials

Year to 30 Sep (RMm)	2024	2025	2026F	2027F	2028F
Net turnover	5,245.6	5,196.6	4,928.4	5,274.4	5,435.7
EBITDA	900.5	1,859.2	1,709.0	1,932.3	1,975.2
Operating profit	846.7	896.6	805.9	965.8	979.2
Net profit (rep./act.)	542.8	508.5	427.3	502.4	565.6
Net profit (adj.)	543.7	517.3	427.3	502.4	565.6
EPS (sen)	162.6	401.1	362.7	416.3	430.0
PE (x)	15.6	16.4	19.8	16.9	15.0
P/B (x)	2.4	2.2	2.1	1.9	1.8
EV/EBITDA (x)	9.6	9.2	10.4	8.5	8.2
Dividend yield (%)	2.2	2.3	1.9	2.2	2.5
Net margin (%)	10.4	10.0	8.7	9.5	10.4
Net debt/(cash) to equity (%)	(12.0)	(0.9)	(3.4)	(7.6)	(13.0)
Interest cover (x)	23.3	25.4	25.0	36.1	61.6
ROE (%)	15.7	13.3	10.5	11.6	12.2
Consensus net profit	n.a.	n.a.	467	572	655
UOBKH/Consensus (x)	n.a.	n.a.	0.92	0.88	0.86

Source: F&N, Bloomberg, UOB Kay Hian

Analyst(s)

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BUY (Maintained)

Share Price	RM23.12
Target Price	RM36.00
Upside	55.7%
Previous TP	RM38.70

Stock Data

GICS sector	Consumer Staples
Bloomberg ticker	FNH MK
Shares issued (m)	366.8
Market cap (RMm)	8,479.9
Market cap (US$m)	2,075.5
3-mth avg daily t'over (US$m)	0.4

Price Performance (%)

52-week high/low: RM36.66/RM23.12

1mth	3mth	6mth	1yr	YTD
(12.2)	(16.8)	(26.0)	(13.7)	(34.3)

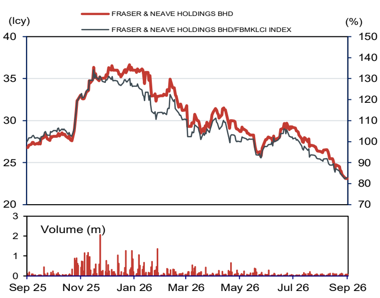
Major Shareholders (%)

Fraser and Neave Ltd	55.5

Balance Sheet Metrics

FY27 NAV/Share (RM)	10.5
FY27 Net Debt/Share (RM)	0.9

Price Chart



Source: Bloomberg

Company Description

Leading beverage player which is principally involved in the manufacture, sale and marketing of soft drinks, dairies, and non-carbonated drinks.

- **…but expansion timeline may be extended.** We understand that F&N's focus for its dairy segment remains on optimisation at this time. The group is currently looking to maximise yields from its existing farms, with short-term expansion potentially being sidelined in favour of building its team's expertise. While its medium-to-long term targets remain intact, we believe any additional scaling-up may be delayed until after F&N has sufficiently developed its farms' operations, following which it may begin to import heifers more aggressively.
- **Cambodia sentiment remains solid.** While the Cambodia-Thailand conflict continues to weigh heavily on F&N's Thailand exports, on-the-ground sentiment remains resilient in Cambodia. Recall that F&N began exporting key brands (eg Bear Brand) from Malaysia following the escalation of the conflict. We understand that despite the brands being identical, pushback against the Malaysian products has been marginal. Consumers' disdain appears largely focused on Thai imports vs the brands themselves and the Malaysian exported products appear to be steadily gaining traction. Otherwise, domestic demand in Thailand also appears robust with sales in 3QFY26 continuing to post steady growth.
- **Scaling up operations in return.** Following the shift out of Thailand, F&N is looking to expand its production capacity in response to the increased pressure on its existing plants. Domestically, the Cambodia plant continues to make steady progress towards localising production of key products, with the group expected to launch a new brand in the coming months. We also understand that F&N is weighing an expansion to its Pulau Indah plant to support the exports from Malaysia. However, while demand in Cambodia for the exported product remains solid, we note that margins are narrower given the logistics costs.

Valuation/Recommendation

- **Maintain BUY with a lower target price of RM36.00.** While FY26 continues to be challenging, the outlook for FY27 and beyond appears to be improving. Depressed valuations following the recent selldown also present an attractive entry point, with the group trading near -2.0SD to mean based on 2027F PE.
- Our target price is based on DCF implying 25.5x 2027F PE, which is slightly above its seven-year mean of 24.6x.

Earnings Revision/Risk

- We trim our FY27/FY28 earnings by 10%/4% respectively as we shift the dairy earnings contribution further out.
- We estimate the earnings drag from the dairy gestation and Cambodia boycott to be roughly RM120m-130m annually. Key inflection points include the dairy break-even (estimated at double current production) and further progress in rebuilding the product offerings in Cambodia.

Environmental, Social, Governance (ESG) Updates

Environmental

- Emissions management: Reduced solid waste intensity ratio by 62% from 2017.

Social

- Wellbeing: Lowered the amount of sugar contained per ml in all its beverages by 59% since 2004.
- Diversity & inclusion: Fosters a diverse and inclusive work environment, ensuring that all patients and employees are treated with respect and dignity.

Governance

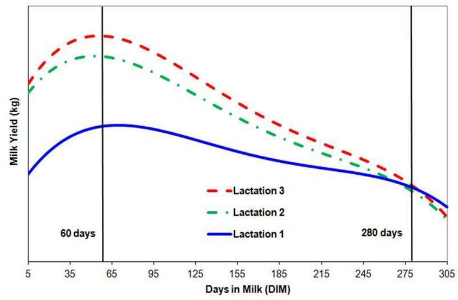
- Board balance and composition: Six board members are independent directors, amounting to 55% of the board members.

Key Assumptions

	2026F	2027F	2028F
Sales (RMm)	**4,928**	**5,274**	**5,436**
Malaysia – ex dairy (% yoy)	-2.5	0.0	0.0
Dairy (% yoy)	n.a.	155	25
Dairies Thailand (% yoy)	-16.0	5.0	3.0
EBIT	**806**	**966**	**979**
Margin (%)	12.9	14.5	14.2

Source: UOB Kay Hian

Typical Holstein Lactation Curves and Measure of Lactation Persistency



Source: Lactanet

Profit & Loss

Year to 30 Sep (RMm)	2025	2026F	2027F	2028F
Net turnover	**5,197**	**4,928**	**5,274**	**5,436**
EBITDA	1,859	1,709	1,932	1,975
Deprec. & amort.	137	151	172	199
EBIT	897	806	966	979
Associate contributions	0	0	0	0
Net interest income/(expense)	(15)	(18)	(12)	(1)
Pre-tax profit	**731**	**616**	**697**	**753**
Tax	(216)	(183)	(188)	(181)
Minorities	(6)	(6)	(6)	(6)
Net profit	**508**	**427**	**502**	**566**
Net profit (adj.)	517	427	502	566

Balance Sheet

Year to 30 Sep (RMm)	2025	2026F	2027F	2028F
Fixed assets	2,221	2,449	2,475	2,491
Other LT assets	1,034	1,023	1,010	998
Cash/ST investment	626	630	625	647
Other current assets	1,733	1,614	1,716	1,779
Total assets	**5,614**	**5,715**	**5,827**	**5,915**
ST debt	254	204	104	4
Other current liabilities	919	896	942	981
LT debt	338	288	188	38
Other LT liabilities	224	224	224	224
Shareholders' equity	3,863	4,094	4,364	4,669
Minority interest	16	10	4	-3
Total liabilities & equity	**5,614**	**5,715**	**5,827**	**5,915**

Cash Flow

Year to 30 Sep (RMm)	2025	2026F	2027F	2028F
Operating	**733**	**604**	**683**	**640**
Pre-tax profit	731	616	697	753
Tax	(216)	(183)	(188)	(181)
Deprec. & amort.	137	151	172	199
Working capital changes	11	(147)	96	(55)
Other operating cashflows	70	167	(93)	(76)
Investing	**(254)**	**(717)**	**(382)**	**(213)**
Capex (growth)	(258)	(737)	(400)	(225)
Investments	0	0	0	0
Proceeds from sale of assets	0	0	0	0
Others	4	20	18	12
Financing	**(365)**	**(405)**	**(297)**	**(432)**
Dividend payments	(294)	(231)	(197)	(232)
Issue of shares	0	1	2	3
Loan repayment	0	(114)	(100)	(200)
Others/interest paid	(71)	(59)	0	0
Net cash inflow (outflow)	**114**	**(517)**	**4**	**(5)**
Beginning cash & cash equivalent	**1,032**	**1,135**	**626**	**630**
Changes due to forex impact	(10)	8	0	0
Ending cash & cash equivalent	**1,135**	**626**	**630**	**625**

Key Metric

Year to 30 Sep (%)	2025	2026F	2027F	2028F
Profitability				
EBITDA margin	17.3	16.4	18.3	18.0
Pre-tax margin	14.2	12.5	13.2	13.8
Net margin	10.0	8.7	9.5	10.4
ROA	9.2	7.5	8.7	9.6
ROE	13.3	10.5	11.6	12.2
Growth				
Turnover	(0.9)	(5.2)	7.0	3.1
EBITDA	5.9	(10.1)	19.8	1.4
Pre-tax profit	6.0	(16.7)	13.1	8.0
Net profit	(6.3)	(16.0)	17.6	12.6
Net profit (adj.)	(4.9)	(17.4)	17.6	12.6
EPS	(4.9)	(17.4)	17.6	12.6
Leverage				
Debt to total capital	10.5	8.6	5.0	0.7
Debt to equity	15.3	12.0	6.7	0.9
Net debt/(cash) to equity	(0.9)	(3.4)	(7.6)	(13.0)
Interest cover	25.4	25.0	36.1	61.6

Market Spotlight

Market News

The FBMKLCI ended in negative territory on Tuesday as the index dropped 18.80pt to close at 1,679.21, as support from selective buying was negated by sustained selling pressure on blue chips. Meanwhile, Asian stocks edged higher on Wednesday as investors awaited the Federal Reserve's interest-rate decision, with gains in South Korea and Japan helping the region recover from recent losses. The FBMKLCI's top gainers were MISC (+1.8%), Axiata Group (+1.2%) and Sunway Healthcare Holdings (+0.47%), while the top losers were Press Metal Aluminium Holdings (-3.1%), YTL Corporation (-3.1%) and YTL Power International (-3.0%). In the broader market, losers outpaced gainers 780 to 355 with 551 counters unchanged. Turnover was 3.34b shares valued at RM3.25b.

US stocks were lower after the close on Wednesday, as losses in the telecommunications, oil & gas and financials sectors led shares lower. At the close in NYSE, the Dow Jones Industrial Average declined 1.21% to hit a new 3-months low, while the S&P 500 Index lost 0.44%, and the NASDAQ Composite Index fell 0.01%. Falling stocks outnumbered advancing ones on the New York Stock Exchange by 1,711 to 981 and 112 ended unchanged; on the Nasdaq Stock Exchange, 2,037 fell and 1348 advanced, while 213 ended unchanged. (*Sources: Investing.com)*

FBMKLCI, FCPO & FKLI Index Outlook

Analyst(s)

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FBMKLCI

Source: UOBKH ChartGenie

FTSE Bursa Malaysia KLCI	
Last close:	1,679.21
Expected moving range:	1,677-1,720

Technical View:

From a technical perspective, the FBMKLCI continued its pullback to close lower at 1,679.21 on Tuesday. The correction looks set to continue as selling pressure grows, as seen in the negative reading of the RSI. Weaker regional sentiment and the absence of domestic catalysts may drag the index lower in the near term. The support and resistance levels are still maintained as follow:

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 +4.4% potential return	
Trading BUY range:	RM4,900-5,020
Last price:	RM4,883
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 RM4,883 on Tuesday. 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 2.5% potential return	
Trading BUY range:	1,650-1,670
Last price:	1,660
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 1,660 on Tuesday. 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

Star Media Group
STAR MK

Technical BUY with +29.5% potential return

Trading BUY range:	RM0.30-031
Last price:	RM0.305
Target price:	RM0.355, RM0.395
Support:	RM0.27
Stop-loss:	RM0.265

BUY with a target price of RM0.395 and stop-loss at RM0.265. Despite consolidating within RM0.28 to RM0.30 in the past few weeks, share price has shown signs of resuming an uptrend. The stock has been climbing up gradually and penetrated above the BBI line on Tuesday. This is supported by an uptick in the RSI which is currently in a bullish mode. Additionally, the positive MACD and DMI readings suggest stronger momentum, which should lift the stock toward our targets of RM0.355 and RM0.395 in the near term.

Expected timeframe: Two weeks to two months

Note: Not available for CFD Trading

Source: UOBKH ChartGenie

Yinson Holdings
YNS MK

Technical BUY with +16.9% potential return

Trading BUY range:	RM2.10-2.15
Last price:	RM2.13
Target price:	RM2.44, RM2.49
Support:	RM1.90
Stop-loss:	RM1.89

BUY with a target price of RM2.49 and stop-loss at RM1.89. Based on the daily chart, YNS formed higher highs and higher lows that indicate an uptrend. Currently, positive readings in the RSI and the DMI should boost share price as YNS looks set to resume its uptrend. Moving forward, we expect YNS will continues the bullish movement toward our targets at RM2.44 and RM2.49 in the near term.

Expected timeframe: Two weeks to two months

Note: Not available for CFD Trading

Source: UOBKH ChartGenie

Homeritz Corporation HMCB MK

Technical BUY on breakout with +31.3% potential return

Trading BUY range:	RM0.415-0.42
Last price:	RM0.40
Target price:	RM0.495, RM0.545
Support:	RM0.365
Stop-loss:	RM0.36

BUY on breakout with a target price of RM0.545 and stop-loss at RM0.36. The share price formed a higher high towards the breakout level of RM0.415 and closed above the BBI line to sustain the bullish momentum. This is supported by the DMI's bullish crossover and is consistent with the uptick in the RSI, which suggests stronger buying momentum ahead. We peg our targets at RM0.495 and RM0.545 once the stock penetrates above the breakout level of RM0.415.

Expected timeframe: Two weeks to two months

Note: Not available for CFD Trading