Consumer

Essentials Dominate; Packaging Risks Emerge

NEUTRAL

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We maintain NEUTRAL on the sector, as consumer spending remains supported but increasingly selective, with households prioritizing essentials amid rising living costs. Recent retail data reinforces this trend, with spending continuing to be skewed towards essentials and value-for-money offerings despite policy support and festive-driven demand. This could be further exacerbated by mounting cost pressures and geopolitical uncertainties linked to Middle East tensions, which may weigh on consumer purchasing power and discretionary spending. Seasonality-driven tailwinds are also expected to fade post-1Q, while the tourism outlook has become more clouded given elevated travel costs, potentially limiting incremental spillover to retail and F&B.

In addition, we are mindful of emerging cost pressures in packaging inputs, including plastics and aluminium, within the consumer space, with the impact appearing uneven across players. Our channel checks and recent management briefing by FFB (MP; TP: RM2.40, lowered from RM2.70) point to tightness in resin supply, which is temporarily disrupting packaging availability for selected players while driving higher plastic packaging costs for others.

While the one-off RM100 SARA cash aid continues to support consumption, particularly across mass-market F&B and value-oriented retail, we believe much of its positive impact has already been reflected in valuations, with recent performance indicating partial normalization as the SARA-driven impulse has begun to fade. Overall, we continue to favour selective exposure to defensive and value-driven names, with our top picks being F&N (OP; TP: RM37.70) for its exposure to essential consumption and defensive F&B profile, which remain resilient amid rising living costs, and MRDIY (OP; TP: RM1.80) for its value-for-money positioning and leverage to ongoing consumer downtrading trends.

Selective spending caps retail momentum as external risks loom. Retail Group Malaysia (RGM) maintained its CY26 retail sales growth forecast at 4.0%, but highlighted rising external headwinds from escalating Middle East tensions, the impact of which has yet to be fully reflected in the current projection. This follows a disappointing CY25 performance, with full-year growth of 2.4% (vs 3.6% forecast), following a 4QCY25 expansion of just 2.5% being well below the expected 5%, despite year-end festive and tourism support. The muted outcome suggests that while consumption remains resilient, spending is still cautious and selective, with consumers prioritizing essential and value-for-money purchases. This is reflected in full-year sub-sector trends, where mini-markets and convenience stores outperformed (+13%), while more discretionary segments such as furniture, home improvement and electrical goods contracted (-10%), indicating continued deferment of non-essential spending.

1Q uplift on festive demand, amid potential cost pressures. RGM expects 1QCY26 growth to improve to 4.4% YoY, supported by the dual festive boost of Chinese New Year and Hari Raya, ongoing fiscal support under STR and SARA, and tourism initiatives under VM2026. That said, our recent channel checks suggest that while Raya spending remains intact, consumer behaviour has become increasingly selective, with demand skewed towards essentials and value-for-money offerings, while discretionary segments such as fashion and mall retail are seeing softer traction YoY. The group also noted increasing uncertainties from higher energy prices and potentially severe supply chain disruptions linked to geopolitical tensions. These risks raise the likelihood of RON95 fuel subsidy adjustments and broader cost-of-living pressures, which could weigh on consumer purchasing power.

Essential spending takes priority as inflation stays on the rise. Consistent with this trend, we believe consumption is likely to remain skewed towards essentials in the near term, resulting in softer discretionary spending should cost pressures intensify. As such, this should support consumer staples players such as **F&N** and **NESTLE (MP; TP: RM106.00)**, which stand to benefit from resilient demand for food and beverage essentials. This is in line with our in-house view that inflation could trend higher amid the Middle East conflict, with our CY26 inflation forecast revised to 2.1% (from 1.9%). While energy subsidies and a stronger Ringgit should continue to anchor prices, potential disruptions to oil and fertilizer supply chains may lift food and transport costs, thereby eroding household purchasing power.

RON95 subsidy quota revision manageable for now. In this environment, the government recently announced a reduction in the standard monthly subsidised RON95 fuel quota under the Budi95 programme to 200 litres (from 300 litres) effective April 2026, while maintaining the pump price at RM1.99 per litre. We expect the direct impact on consumers to remain limited as ~90% of eligible users consume below 200L monthly, with average usage at c.100L. That said, we are mindful of potential second-order effects should elevated fuel prices persist, particularly through higher transportation and operating costs. For now, logistics costs appear relatively stable based on our channel checks, supported by continued diesel subsidies.

Faster SARA uptake signals front-loaded essential spending behaviour. Meanwhile, early utilisation of the one-off RM100 SARA cash aid provides a useful read-through on household spending behaviour amid ongoing cost pressures. As of 13 Feb, 8.1m people (37% of eligible Malaysians) had already used the second round disbursed on 9 Feb, with total spending reaching RM780m (c.36% of the RM2.2b allocation) and an average basket size of ~RM96. This represents a faster uptake compared to the first round disbursed on 31 Aug, where five-day utilisation stood at 30% of recipients, with only roughly 19% of the allocation spent and a smaller basket size of ~RM64. Despite a longer utilisation window for the current round (Feb–Dec versus Sep–Dec previously) which would typically imply more staggered spending, the stronger early redemption suggests more front-loaded spending, partly driven by festive demand ahead of Chinese New Year and Ramadan. That said, the higher participation rate and c.50% increase in basket size also point to improved programme familiarity alongside greater spend intensity, which in our view potentially reflects underlying cost-of-living pressures driving more immediate essential purchases.

The RM100 SARA cash aid, equivalent to c.4% of monthly disposable income for B40 households (see Exhibit 1 for breakdown by state and income group), should continue to support spending on groceries and daily necessities, particularly across mass-market F&B and value-oriented retail formats, with the merchant network expanding to ~10,700 outlets (from ~9,200 at end-Nov), including a growing base of small grocery shops (current: 3,000; target: 10,000 by year-end, which may introduce some marginal share dilution for larger chains.

SARA-driven valuation gains normalizing as momentum begins to cool. That said, while SARA remains a supportive demand driver, we continue to believe that much of its positive impact has already been reflected in valuations, with recent performance into end-March 2026 indicating partial normalization despite largely unchanged earnings revisions. Among key beneficiaries, **NESTLE** has retraced (c.-10% from Dec) alongside multiple compression of roughly 5x, while **99SMART (NR)** has held up better despite similarly stable earnings expectations, suggesting a more limited valuation unwind; **ECOSHOP (NR)**, meanwhile, de-rated on lacklustre results and weak same-store sales growth. Outside the SARA theme, **AEON (OP; TP: RM1.30)** and **PADINI (MP; TP: RM1.75)** saw weaker share price performance amid earnings downgrades, while **FFB**'s valuation uplift appears driven more by its venture into Cambodia and expansion of higher-margin ice cream business than by SARA-related factors (see Exhibit 2). We note that the recent de-rating has also coincided with rising macro uncertainties, particularly elevated oil prices and inflation concerns linked to Middle East tensions, which may further weigh on valuations. Overall, this reinforces our earlier view that SARA-driven share price gains were predominantly led by valuation (with only c.20-25% of the re-rating into December driven by earnings revisions), with future performance hinging on execution and earnings delivery. In this environment, we continue to favour defensive names such as F&N, underpinned by resilient staple demand and its exposure to on-the-go consumption.

Exhibit 1: Monthly Household Disposable Income by State and Income Category (RM)

State	B40	M40	T20
Malaysia (Median)	**2,690**	**5,794**	**13,967**
Malaysia	**< 4,500**	**4,500 - 9,919**	**≥ 9,920**
Selangor	< 7,010	7,010 - 12,889	≥ 12,890
Kuala Lumpur	< 7,130	7,130 - 13,349	≥ 13,350
Johor	< 4,880	4,880 - 10,159	≥ 10,160
Penang	< 4,740	4,740 - 9,479	≥ 9,480
Sarawak	< 3,580	3,580 - 7,979	≥ 7980

**Note: median disposable income is estimated based on available data on median household income*

Source: Household Income Survey Report 2022, Kenanga Research

Exhibit 2: Market Reaction to SARA-related Policy Announcements

Company	Sub-sector	Change in Market Cap (%)		Change in FY26 Consensus Earnings (%)		Change in Valuation Multiple (x)	
		Cumulative (Jul-Mar)	Recent (Dec-Mar)	Cumulative (Jul-Mar)	Recent (Dec-Mar)	Cumulative (Jul-Mar)	Recent (Dec-Mar)
NESTLE	F&B	32%	-10%	13%	1%	5.7	-4.9
FFB*	F&B	44%	-12%	13%	1%	6.0	-4.1
F&N	F&B	3%	-17%	-7%	0%	1.9	-3.7
PWROOT*	F&B	-14%	-5%	-25%	-13%	1.8	1.1
QL*	F&B	-18%	-9%	-6%	-3%	-4.1	-1.8
99SMART	Retail	54%	0%	11%	0%	11.2	0.1
ECOSHOP	Retail	0%	1%	-5%	-2%	1.4	0.9

MRDIY	Retail	3%	13%	-1%	-1%	0.7	2.8
AEON	Retail	-20%	5%	-14%	-3%	-0.7	0.8
PADINI	Retail	-11%	-6%	-18%	-12%	0.9	0.6

Source: Bloomberg, Kenanga Research
Note: (i) *FY26F refers to FY27F
(ii) *Cumulative* covers the period from just before the July 2025 SARA announcement to end-March 2026
(iii) *Recent* covers from our last sector report (December 2025) to end-March 2026.

Tourism outlook clouded by geopolitical headwinds. Tourism prospects may see some near-term uncertainty amid rising geopolitical tensions and disruptions in West Asian airspace, which are pushing up fuel costs and airfares, potentially dampening global travel demand and posing some challenges to Visit Malaysia 2026 (VM2026) targets of 47m visitor arrivals and RM329b in tourism receipts. While tourist arrivals remained strong during the Chinese New Year period (Jan/Feb), with traffic reportedly over 30% higher YoY, largely driven by Chinese visitors, sustaining this momentum may be more challenging if travel costs stay elevated. More recent data suggest growth is moderating but remains resilient, with international arrivals rising 2.4% YoY between 1–26 March (see Exhibit 3). Zooming into regional trends, ASEAN (historically contributing 75-80% of arrivals) remains the key anchor (+0.6% YoY), while East Asia continues to drive growth (+12.8% YoY), particularly China. This has helped to offset a sharp decline in Middle Eastern visitors (-40.3% YoY), which would have limited impact on overall arrival numbers given its small contribution base (c.0.2% of March arrivals), despite typically higher spending by these tourists. In line with this, the government is pivoting promotional efforts toward more resilient regional markets, including ASEAN, China, South Korea and Japan, and exploring alternative transit hubs to support arrivals. However, if elevated oil prices and high airfares persist, especially for long-haul travel, this could still weigh on tourism receipts, limiting spillover benefits to consumer-facing segments such as F&B and retail.

Exhibit 3: Malaysia – International Visitor Arrivals by Region (1–26 Mar 2026)

Region	Arrivals	% Contribution	% Change
Asean	2,093,096	73.8%	0.6%
East Asia	407,171	14.4%	12.8%
Europe	124,824	4.4%	5.2%
South Asia	123,270	4.3%	-0.4%
Americas	36,099	1.3%	-0.4%
Oceania	33,127	1.2%	20.2%
Africa	7,165	0.3%	-7.5%
Central Asia	6,569	0.2%	21.0%
Middle East	4,398	0.2%	-40.3%
Total international visitor arrivals	**2,835,724**		**2.4%**

Source: The Star, Ministry of Tourism, Arts and Culture (MOTAC), Kenanga Research

Price swings in commodities (see Exhibit 4). Coffee prices have eased to multi-month lows on stronger production outlooks, before rebounding slightly amid short-term supply constraints coupled with recent uncertainty over global trade flows due to geopolitical tensions. Cocoa prices have continued to decline (-46% YTD), near the lowest since July 2023, driven by improving weather in key production regions (like West Africa), rising inventories and slowing global demand. Meanwhile, prices of wheat, corn and soybean trended higher overall, albeit with some recent volatility, with corn seeing more muted gains. This was driven mainly by elevated energy and fertilizer costs, as well as tightening supply expectations, which could raise input costs for food producers and poultry players. On a brighter note, a stronger Ringgit should help offset part of these headwinds by easing import costs. In freight dynamics, the Baltic Dry Index has risen 6% YTD, likely supported by firmer bulk commodity demand, while the Shanghai Shipping Index has remained largely flat, reflecting continued softness in container freight rates from China. In addition, we are mindful of emerging cost pressures across packaging inputs, including plastics (+60% recently) and aluminium (+18% YTD), amid ongoing Middle East tensions.

Upstream supply constraints disrupt packaging availability… We attended **FFB**'s management briefing yesterday, where the group indicated that it is currently facing temporary supply constraints in selected pasteurised milk SKUs packaged in plastic bottles (typically those with orange caps) over the past two weeks, primarily due to limited HDPE resin availability rather than demand or raw milk supply issues. This has disrupted parts of the plastics value chain and constrained packaging output. In response, management has mitigated the impact by shifting production to carton packaging (gable top), leveraging existing capacity and stable carton supply, which should help sustain product availability despite disruptions in PE bottle formats (c.12-13% of sales), while also exploring alternative resin sourcing arrangements to support its packaging suppliers. While the margins between these packaging formats are comparable, we believe this may result in some shift in consumption behaviour given that carton products are typically limited to 1L sizes versus both 1L and 2L for plastic bottles. From an earnings perspective, we view the near-term impact as availability-driven rather than cost-driven, as plastics account for a relatively small portion of COGS (~4%) and no meaningful cost pass-through has been observed at this stage. Our estimates suggest a modest sales impact of c.1-2% assuming a three-month disruption, with partial volume loss largely mitigated by switching to carton packaging, supported by relatively loyal customer base. Meanwhile, management indicated that rising diesel costs (c.2% of COGS), which have nearly doubled over the past month, could have a more meaningful impact on earnings in the near term. Based on our estimates, if current diesel prices persist over a three-month period, this could result in an earnings impact of c.4%.

… though impact appears uneven across players. On the other hand, **PWROOT (MP; TP: RM1.08)** is experiencing higher plastic packaging costs without similar supply disruptions, which we believe is likely due to its greater use of flexible packaging and lower reliance on rigid plastics. This suggests that the impact of resin tightness varies across FMCG players, depending on packaging formats and supplier dynamics. Nonetheless, tighter resin supply is pushing up plastic packaging costs, and could eventually lead to price pass-through if sustained. Additionally, based on our channel checks, resin suppliers are becoming more selective in customer allocation, while plastic producers typically hold only 2-3 months of inventory. As such, we continue to monitor for signs of prolonged disruption or cost escalation, which could further impact FMCG supply chains.

Valuation update: Our earnings forecasts, valuation methodology, target prices, and ratings remain unchanged for the consumer sector portfolio, except for names with discretionary exposure, i.e. **AEON**, **MRDIY**, **PADINI** and **QL (MP; TP: RM4.05)**, as well as **FFB**. We revise our valuation assumptions for **AEON** and **PADINI**, while maintaining the unchanged discounts, with ascribed PERs adjusted to 12.5x (10% discount) and 11x (20% discount), respectively. While the PER revision is primarily driven by the updated valuation base period, we note that it also better reflects current conditions amid rising cost-of-living pressures, particularly given ongoing Middle East tensions. We believe the extended conflict may increase living costs, eroding consumers' purchasing power and likely prompting them to scale back on discretionary spending. Consequently, we lower our TP for **AEON** to RM1.30 (from RM1.40) and for **PADINI** to RM1.75 (from RM1.90). The ratings for **AEON** and **PADINI** remain unchanged at OP and MP, respectively. For **MRDIY**, we lower our TP to RM1.80 (from RM1.95) as we ascribe a lower PER of 24x (vs. 26x previously). However, we upgrade the stock to OP following recent share price weakness, which has improved its risk-reward profile backed by decent dividend yield of c.5%; we expect consumer downtrading trends to support its value-for-money positioning. Meanwhile, for **QL**, we tweak our DCF assumptions by incorporating more conservative margin assumptions, primarily reflecting weaker performance in its CVS segment amid heightened competition and its discretionary exposure via *FamilyMart*, while demand in core segments such as MPM and ILF remains relatively stable. We maintain MP for the stock, with TP lowered to RM4.05 (from RM4.26).

Separately, for **FFB**, we maintain our FY26F numbers but trim our FY27F earnings forecasts by 4%, mainly to account for higher cost pressures, assuming elevated diesel prices over a three-month period. We also reduce our valuation multiple to 28x FY27F PER (from 30x), in line with its average forward PER, as we factor in temporary packaging disruptions and emerging cost pressures. Consequently, we lower our TP to RM2.40 (from RM2.70) while maintaining our MP call on the stock. We maintain our earnings forecasts for other F&B producers for now, given limited visibility on cost structures.

Our TP and recommendation for consumer stocks are summarised in Exhibit 5.

We maintain our **NEUTRAL** stance on the sector. While cost challenges and policy changes remain key areas to watch, we believe these headwinds will be partially offset by continued fiscal support (including STR and SARA), a stronger Ringgit and selective resilience in categories such as F&B. From a portfolio perspective, heavyweight names remain broadly neutral; however, we are selectively positive on specific counters with better earnings resilience, defensive essentials-led exposure fundamentals and value-oriented positioning.

Our top picks for the sector are:

- **F&N** for: (i) its earnings defensiveness given the stable demand for essential food items despite high inflation and an uncertain global economic outlook, (ii) the rising popularity of ready-to-drink products where F&N has a strong presence, (iii) its long-term growth prospects driven by its investment in a sizeable dairy farm in Gemas, Negeri Sembilan.
- **MRDIY** for: (i) its dominant position in Malaysia's home improvement market, (ii) its size that translates to strong bargaining position vs. its suppliers, and economies of scale, (iii) its value-for-money appeal which resonates with cost-conscious consumers, and (iv) its continued efforts to improve operational efficiency such as the introduction of an automated inventory system.

Exhibit 4: Raw Material / Commodities Price Trend

	31/03/2026	1M	QTD	1QCY26	YTD	vs. 2025 average price	vs. 2024 average price	vs. 2023 average price	Future Price Trend*
Sugar (USD/lb)	15.5	5.9	-2.4	3.4	0.9	-8.4	-25.2	-35.5	↑
Coffee (USD/lb)	298.4	3.7	-1.1	-14.5	-15.4	-18.3	27.1	73.9	↑
Cocoa (USD/MT)	3,300.0	16.5	-1.2	-45.6	-46.0	-59.5	-59.2	0.1	↑
Milk (USD/MT)	3,709.0	0.1	0.0	17.3	17.3	-4.9	7.8	20.4	
Wheat (USD/MT)	418.2	4.2	0.0	21.5	21.5	14.3	6.3	-5.6	↓
Corn (USD/Bushel)	377.9	2.1	0.0	4.0	4.0	3.4	6.5	-17.7	↑
Soybean (USD/Bushel)	1,171.0	0.7	-0.5	13.6	13.1	12.5	6.3	-16.9	↓
CPO (RM/MT)	4,729.0	18.6	0.1	18.3	18.4	10.8	12.6	24.0	↓
Cotton (USD/lb)	70.0	8.3	-1.6	8.9	7.2	6.8	-8.7	-15.7	↑
Aluminium (USD/MT)	3,521.4	11.6	17.6	18.2	18.2	33.5	44.6	55.4	↓
Baltic Dry Index	1,995.0	-6.8	0.0	6.3	6.3	18.7	13.7	44.7	
WTI Crude Oil (USD/Barrel)	101.4	49.1	-1.4	76.6	74.1	56.6	33.8	30.6	
Volatility Index	25.3	23.9	-2.6	68.9	64.5	33.4	62.4	49.9	
Dollar Index	1,215.5	2.0	-0.4	1.0	0.6	-1.3	-2.9	-1.9	
USDMYR	4.0	-2.5	0.6	-0.3	-0.8	-5.4	-11.4	-11.3	
Shanghai Shipping Index	1,139.0	9.0	-0.7	-0.7	-0.7	-4.9	-26.5	21.5	

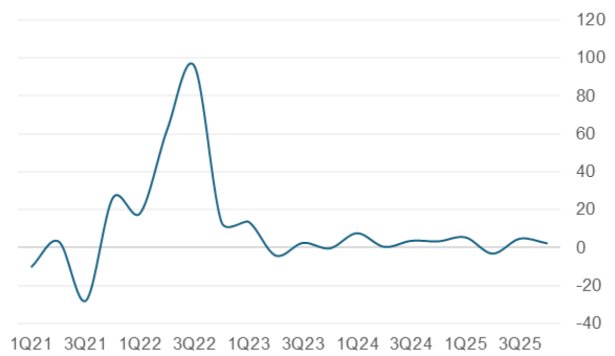
*Source: Bloomberg, Kenanga Research, *World Bank Commodity Price Forecasts (10 October 2025)*

Exhibit 5: Changes to Valuation, TPs and Recommendations

Company	FYE	Valuation					Target Price (RM)			Recommendation		
		Basis	Base Year	After	Before	Chg	After	Before	Chg	After	Before	Chg
AEON	Dec	PER (x)	FY26	12.5	13.5	↓	1.30	1.40	↓	OP	OP	↔
FFB	Mar	PER (x)	FY27	28	30	↓	2.40	2.70	↓	MP	MP	↔
F&N	Sep	PER (x)	CY26	24	24	↔	37.70	37.70	↔	OP	OP	↔
MRDIY	Dec	PER (x)	FY26	24	26	↓	1.80	1.95	↓	OP	MP	↑
NESTLE	Dec	WACC (%)		5.3	5.3	↔	106.00	106.00	↔	MP	MP	↔
PADINI	Jun	PER (x)	FY27	11	12	↓	1.75	1.90	↓	MP	MP	↔
PWROOT	Mar	PER (x)	FY27	15	15	↔	1.08	1.08	↔	MP	MP	↔
QL	Mar	WACC (%)		5.8	5.8	↔	4.05	4.26	↓	MP	MP	↔
KAREX	Jun	PER (x)	FY27	25	25	↔	0.580	0.580	↔	MP	MP	↔

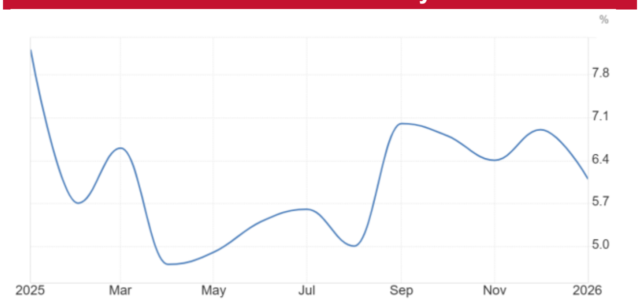
Source: Kenanga Research

Exhibit 6: M'sia Retail Sales Quarterly YoY Growth



Source: Retail Group Malaysia, Kenanga Research

Exhibit 7: M'sia Retail Sales Monthly YoY Growth



Source: Trading Economics, Kenanga Research

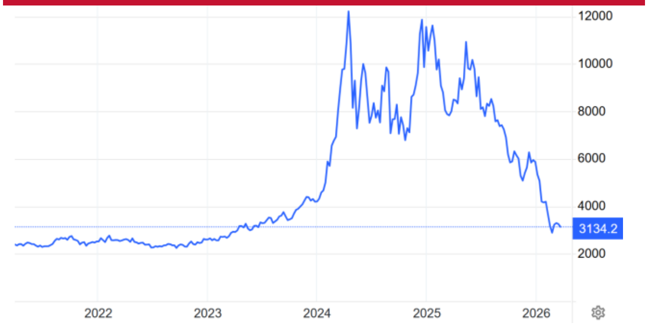
Exhibit 8: Sugar Prices (USD/lb)

Source: Trading Economics, Kenanga Research

Exhibit 9: Coffee Prices (USD/lb)

Source: Trading Economics, Kenanga Research

Exhibit 10: Cocoa Prices (USD/MT)

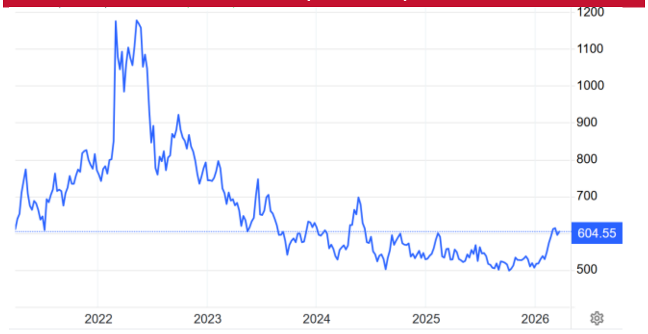


Source: Trading Economics, Kenanga Research

Exhibit 11: Milk Prices (USD/MT)

Source: Trading Economics, Kenanga Research

Exhibit 12: Wheat Prices (USD/MT)



Source: Trading Economics, Kenanga Research

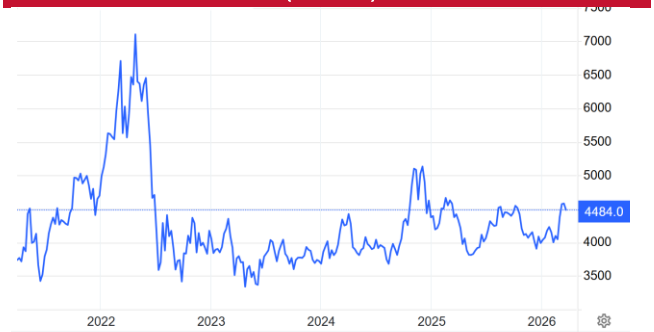
Exhibit 13: Corn Prices (USD/Bushel)

Source: Trading Economics, Kenanga Research

Exhibit 14: Soybean Prices (USD/Bushel)

Source: Trading Economics, Kenanga Research

Exhibit 15: CPO Prices (RM/MT)

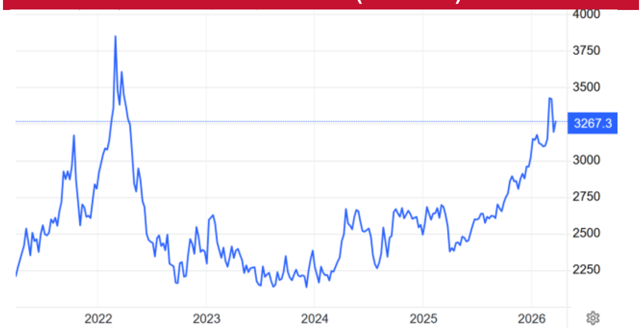


Source: Trading Economics, Kenanga Research

Exhibit 16: Cotton Prices (USD/lb)

Source: Trading Economics, Kenanga Research

Exhibit 17: Aluminium Prices (USD/MT)



Source: Trading Economics, Kenanga Research

Exhibit 18: Baltic Dry Index

Source: Trading Economics, Kenanga Research

Exhibit 19: WTI Crude Oil Prices (USD/Barrel)

Source: Trading Economics, Kenanga Research

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Peer Table Comparison

Name	Rating	Last Price @ 19/3/26 (RM)	Target Price (RM)	Upside	Market Cap (RM m)	Shariah Compliant	Current FYE	Core EPS (sen) 1-Yr. Fwd.	Core EPS (sen) 2-Yr. Fwd.	Core EPS Growth 1-Yr. Fwd.	Core EPS Growth 2-Yr. Fwd.	PER (x) - Core Earnings 1-Yr. Fwd.	PER (x) - Core Earnings 2-Yr. Fwd.	PBV (x) 1-Yr. Fwd.	ROE 1-Yr. Fwd.	Net Div. (sen) 1-Yr. Fwd.	Net Div. Yld. 1-Yr. Fwd.
CONSUMER																	
AEON CO. (M) BHD	OP	1.10	1.30	18.2%	1,544.4	Y	12/2026	10.3	11.3	8.6%	9.0%	10.6	9.8	0.7	7.1%	5.0	4.5%
FARM FRESH BHD	MP	2.36	2.40	1.7%	4,447.1	Y	03/2026	7.5	8.6	29.2%	15.5%	31.7	27.4	5.4	18.2%	3.0	1.3%
FRASER & NEAVE HOLDINGS BHD	OP	29.30	37.70	28.7%	10,746.6	Y	09/2026	144.2	160.7	3.6%	11.4%	20.3	18.2	2.6	13.2%	70.0	2.4%
MR D.I.Y. GROUP (M) BHD	OP	1.52	1.80	18.4%	14,405.8	Y	12/2026	7.5	8.2	11.6%	9.0%	20.2	18.6	7.1	35.3%	8.0	5.3%
NESTLE (MALAYSIA) BHD	MP	98.86	106.00	7.2%	23,182.7	Y	12/2026	256.9	284.7	20.2%	10.8%	38.5	34.7	39.9	104.1%	255.0	2.6%
PADINI HOLDINGS BHD	MP	1.58	1.75	10.8%	1,559.2	Y	06/2026	14.0	15.9	-15.0%	13.5%	11.3	10.0	1.3	11.1%	8.2	5.2%
POWER ROOT BHD	MP	1.15	1.08	-6.1%	482.3	Y	03/2026	5.6	7.2	-21.5%	28.3%	20.5	16.0	1.7	7.5%	5.0	4.3%
QL RESOURCES BHD	MP	3.71	4.05	9.2%	13,542.4	Y	03/2026	12.2	13.4	-2.0%	9.5%	30.4	27.7	3.8	14.1%	5.0	1.3%
KAREX BHD	MP	0.505	0.580	14.9%	532.0	Y	06/2026	1.0	2.3	5250.0%	126.2%	49.7	22.0	1.2	2.3%	1.5	3.0%
SECTOR AGGREGATE					**70,442.6**					**8.2%**	**11.1%**	**25.6**	**23.1**	**4.6**	**18.1%**		**3.3%**

Source: Bloomberg, Kenanga Research

Stock Ratings are defined as follows:

Stock Recommendations

OUTPERFORM	: A particular stock's Expected Total Return is MORE than 10%
MARKET PERFORM	: A particular stock's Expected Total Return is WITHIN the range of -5% to 10%
UNDERPERFORM	: A particular stock's Expected Total Return is LESS than -5%

Sector Recommendations***

OVERWEIGHT	: A particular sector's Expected Total Return is MORE than 10%
NEUTRAL	: A particular sector's Expected Total Return is WITHIN the range of -5% to 10%
UNDERWEIGHT	: A particular sector's Expected Total Return is LESS than -5%

******Sector recommendations are defined based on market capitalisation weighted average expected total return for stocks under our coverage.***

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