By Cheow Ming Liang l cheowml@kenanga.com.my ; Chris Tong l christong@kenanga.com.my

BURSA	5-Aug	Day chg	% chg
KLCI	1,748.2	15.51	0.90%
FTSE EMAS	12,902.5	93.2	0.73%
FTSE Smallcap	15,839.4	41.34	0.26%
FTSE MESDAQ	5,039.3	21.8	0.43%
KLSE Mkt Cap (RM'b)	2092.8	21.1	1.01%

BURSA DAILY TRADING PARTICIPATION

Participation	Net (RM'm)	Value (%)
Local Institution	115.5	45.7%
Local Retail	-169.2	28.6%
Foreign	53.7	25.8%

INDICES	5-Aug	Day chg	% chg
Dow Jones	54,349.1	263.2	0.49%
S&P 500	7,723.6	-13.0	-0.17%
NASDAQ	26,363.4	-221.6	-0.83%
FTSE-100	10,888.3	8.9	0.08%
Nikkei 225	66,300.4	2,342.9	3.66%
SHCOMP	3,878.4	56.1	1.47%
HSI	25,915.8	62.9	0.24%
STI	5,581.4	-30.9	-0.55%
KOSPI	6,598.3	239.3	3.76%
TWSE	44,611.6	1,250.9	2.88%
JCI	6,351.1	31.5	0.50%
SET	1,609.8	-7.4	-0.45%

FOREX	5-Aug	4-Aug	% chg
USD/MYR:	4.0940	4.0965	-0.06%
EUR/USD:	1.1540	1.1514	0.23%
GBP/USD:	1.3467	1.3443	0.18%
USD/YEN:	157.71	157.82	-0.07%
USD/SGD:	1.2824	1.2833	-0.07%
USD/HKD:	7.8434	7.8433	0.00%

KEY STATS			
KLCI Spot			
Vol (m shares):	3,891.5	2,803.7	38.80%
Value (RMm):	3,804.1	2,818.5	34.97%
KLCI Future			
August-26	1,755.0	1,732.0	1.33%
September-26	1,732.5	1,711.0	1.26%
CPO Price (RM/tonne)	4,745.0	4,733.0	0.25%
Soybean (US$/bu)	1,156.5	1,158.8	-0.19%
SoyOil (USc/lb)	67.4	67.8	-0.59%
Gold (US$/troy oz)	4,273.3	4,121.9	3.67%
Nymex crude oil (US$/bbl)	75.2	75.8	-0.73%
Latex (RM/kg)	6.91	6.95	-0.50%
Tin (US$/mt)	56,370.0	55,699.0	1.20%

Research Highlights

NEWS HIGHLIGHTS

- **Heineken Malaysia 2Q profit drops 39%, keeps dividend at 40 sen**
- **Boustead targets to grow revenue to RM30b in five years**
- **CPE Tech buys land with factory in Johor for RM10m, spends RM21m on machinery**
- **Nestcon secures second contract from Exsim, RM243m job to build serviced apartments in Penang**
- **SCIB bags RM24.59m subcontract for Sabah school reconstruction**

MACRO BITS

- **US ban on Chinese optical parts hurts hyperscalers, report says**
- **Government weighs EV charging financing model amid infrastructure, cost concerns**
- **Malaysia seeks to shield farmland from AI and chipmaking booms**
- **EU businesses seek high-quality Malaysia-EU FTA to boost investment, trade**
- **Japan's services growth slows amid cost pressures, PMI shows**
- **Indonesia's economic growth slows to 5.3% in Q2, but beats forecast**
- **Clear communication of Fed's 'reaction function' is helpful, Kashkari says**
- **US companies added 44,000 jobs in July, ADP data show**
- **UK services sector returns to growth, optimism picks up, PMI shows**
- **ECB says investment shift towards AI helps ease drag of uncertainty on euro zone growth**

IDEAS OF THE DAY (SEE SEPARATE REPORTS FOR DETAILS)

- **Result Note: FRONTKN**
- **Company Update: HLIND, GAMUDA, KGB**

#	Top Volume Stock	Price	%Chg (+/-)	Vol (m)	Top Gainer Stock	Price	%Chg (+/-)	Vol (m)	Top Loser Stock	Price	%Chg (+/-)	Vol (m)
1	GAMUDA	4.41	4.8	24.30	YTLPOWR	4.40	7.1	12.70	AXIATA	1.93	-3.0	13.50
2	PBBANK	5.27	-0.2	20.20	GAMUDA	4.41	4.8	24.30	PCHEM	4.52	-2.8	5.43
3	MAYBANK	10.82	0.4	17.30	CDB	3.02	3.8	5.72	IHH	8.32	-1.3	10.60
4	MRDIY	1.54	1.3	16.20	PMETAL	8.31	3.1	11.50	PETDAG	19.54	-0.8	0.39
5	AXIATA	1.93	-3.0	13.50	IOICORP	4.55	2.7	7.83	CIMB	8.01	-0.3	9.77
6	YTLPOWR	4.40	7.1	12.70	YTL	1.97	2.6	12.40	PBBANK	5.27	-0.2	20.20
7	YTL	1.97	2.6	12.40	IOIPG	3.91	2.4	3.94	HLBANK	22.20	0.0	0.81
8	PMETAL	8.31	3.1	11.50	SDG	6.81	1.8	7.54	SUNMED	1.99	0.0	9.62
9	IHH	8.32	-1.3	10.60	TM	7.90	1.7	4.82	PETGAS	17.44	0.4	0.70
10	CIMB	8.01	-0.3	9.77	99SMART	3.70	1.7	1.69	MISC	8.24	0.4	5.27

Notes: # KL Composite Index (FBMKLCI) component stocks

Corporate News

- **Heineken Malaysia 2Q profit drops 39%, keeps dividend at 40 sen**
  Heineken Malaysia Bhd posted its weakest quarterly performance in nearly five years, as softer consumer demand and continued inventory normalisation weighed on sales. Net profit for the quarter ended June 30, 2026 (2QFY2026) fell 39.12% to RM50.53m from RM83m a year earlier, while revenue declined 19.4% to RM434.75m. The board declared a single-tier interim dividend of 40 sen per share, unchanged from a year earlier. For 1HFY2026, net profit declined 24.45% to RM154.99m while revenue fell 15.7% to RM1.10b.*(The Edge Malaysia)*

- **Boustead targets to grow revenue to RM30b in five years**
  Boustead Holdings Bhd is targeting to increase group revenue from about RM12b currently to RM30b within the next five years through a business restructuring focused on defence, property development and commercial services. Group managing director Datuk Dr Ahmad Sabirin Arshad said the conglomerate is targeting at least 30% local content in national defence industry technology products by 2030 and plans to develop about 400 vendors in the defence industry ecosystem. *The Edge Malaysia)*

- **CPE Tech buys land with factory in Johor for RM10m, spends RM21m on machinery**
  CPE Technology Bhd, a Johor-based precision-machined parts maker, announced plans to purchase 0.99 acres of land with a factory building in Ulu Tiram, Johor, and RM21m worth of machinery as it looks to expand production capacity. The Ulu Tiram property was acquired from Flomatic Industries Sdn Bhd for RM10m, while 70 units of turning and milling machinery were acquired from Yamazen (M) Sdn Bhd and Numac Machinery Sdn Bhd for RM21.02m. *(The Edge Malaysia)*

- **Nestcon secures second contract from Exsim, RM243m job to build serviced apartments in Penang**
  Nestcon Bhd's wholly owned subsidiary, Nestcon Builders Sdn Bhd, has secured a RM243m contract with Exsim Waterfront Sdn Bhd to construct a block of 57-storey serviced apartments in George Town, Penang. Construction is set to begin on Jan 18, 2027 and last 35 months. This marks the second project this week that Nestcon has secured from Exsim, after a RM74.52m affordable housing contract in Kwasa Damansara earlier this week..*(The Edge Malaysia)*

- **SCIB bags RM24.59m subcontract for Sabah school reconstruction**
  Sarawak Consolidated Industries Bhd (SCIB) has won a RM24.59m subcontract to undertake the reconstruction of a dilapidated school building, Sekolah Kebangsaan Kaingaran, in Tambunan, Sabah. Its wholly owned subsidiary, SCIB Industrialised Building System Sdn Bhd, accepted the letter of award from Belian Juta Sdn Bhd, which holds the main contract from the Sabah Public Works Department on behalf of the federal government.*(The Edge Malaysia)*

Macro Bits

Global

- **US ban on Chinese optical parts hurts hyperscalers, report says** A potential ban on the import of Chinese optical transceiver modules into the US would inflict collateral damage on US hyperscalers, exacerbating a supply bottleneck that no American firm can ease, research firm Counterpoint warned on Wednesday. *(The Edge Malaysia)*

Malaysia

- **Government weighs EV charging financing model amid infrastructure, cost concerns** The government is assessing the most suitable financing mechanism to support the development of public electric vehicle (EV) charging infrastructure nationwide, with discussions still at an early stage. *(The Malaysian Reserve)*
- **Malaysia seeks to shield farmland from AI and chipmaking booms** Malaysia is working with state governments to protect farmland from industrial and real estate expansion as the explosive growth in data centres and chip manufacturing intensifies competition for land. *(The Edge Malaysia)*
- **EU businesses seek high-quality Malaysia-EU FTA to boost investment, trade** European business leaders are calling for a high-quality Malaysia-European Union (EU) free trade agreement (FTA) that delivers practical commercial outcomes while strengthening long-term investment and cooperation. *(The Edge Malaysia)*

Asia Pacific

- **Japan's services growth slows amid cost pressures, PMI shows** Japan's services sector expanded at a slower pace in July as demand weakened and firms grappled with intense cost pressures, leading to the hottest inflation in selling prices since April 2014, a private survey showed.*(Reuters)*
- **Indonesia's economic growth slows to 5.3% in Q2, but beats forecast** Indonesia's annual economic growth slowed to its weakest pace in three quarters in the second quarter as household and government spending eased, official data showed on Wednesday, although the figure topped expectations. *(Reuters)*

Americas

- **Clear communication of Fed's 'reaction function' is helpful, Kashkari says** Clearly communicating what the Federal Reserve's "reaction function" will be to various scenarios is helpful for the public and markets and should be continued, Minneapolis Fed President Neel Kashkari said in a jab at the communications stance adopted by new US central bank chief Kevin Warsh. *(Reuters)*
- **US companies added 44,000 jobs in July, ADP data show** US companies added fewer jobs in July than expected, suggesting some cooling in hiring momentum after a recent stretch of solid gains. Private payrolls rose 44,000 — the least since the start of the year — after a revised 95,000 increase in the prior month, according to ADP Research data. *(Bloomberg)*

Europe

- **UK services sector returns to growth, optimism picks up, PMI shows** Britain's dominant services sector returned to growth last month as new orders picked up, according to a survey by S&P Global that showed expectations for activity in the next 12 months were the highest since before the start of the Iran war in February. *(Reuters)*
- **ECB says investment shift towards AI helps ease drag of uncertainty on euro zone growth** Uncertainty created by wars and trade friction will continue to weigh on euro zone economic growth this year, but a shift in business investment towards intangible assets such as AI seems to be mitigating the drag, the ECB said on Wednesday. *(Reuters)*

List of Oversold Stocks (14-Day RSI<30-mark)

NAME*	LAST PRICE	RSI_14D	RSI_9D	RSI_3D	LOW 30D
GE-SHEN CORP BHD	1.360	23.14	18.47	8.19	1.350
FCW HOLDINGS BHD	1.600	24.10	10.34	0.00	1.600
TALIWORKS CORP BHD	0.290	27.24	28.05	53.24	0.275

**Only for stocks with market cap >RM300m*
Source: Bloomberg

List of Overbought Stocks (14-Day RSI>70-mark)

NAME*	LAST PRICE	RSI_14D	RSI_9D	RSI_3D	HIGH 30D
FORMOSA PROSONIC INDS BHD	1.220	87.39	92.88	99.36	1.250
TEO SENG CAPITAL BHD	0.935	78.87	81.29	66.40	0.945
PESONA METRO HOLDINGS	0.445	74.10	74.82	82.11	0.450
RANHILL UTILITIES BHD	2.190	73.76	81.74	94.87	2.200
WESTPORTS HOLDINGS BHD	7.050	73.27	72.67	52.60	7.250
MALAYAN FLOUR MILLS BHD	0.635	73.23	72.79	49.88	0.655
MAYBULK BHD	0.365	72.25	85.94	99.91	0.365
MKH BHD	1.970	72.22	66.23	68.27	1.980
NESTLE (MALAYSIA) BERHAD	102.500	72.09	78.52	82.27	104.700
SUNGEI BAGAN RUBBER (M)	6.230	72.05	73.08	81.79	6.230
PENTAMASTER CORP BHD	5.700	71.97	77.44	92.87	5.790
DUFU TECHNOLOGY CORP BHD	2.840	71.72	76.70	92.10	2.950
JF TECHNOLOGY BHD	0.710	71.62	79.42	97.66	0.720
SUNWAY CONSTRUCTION GROUP BH	8.200	70.71	74.60	84.27	8.400
KERJAYA PROSPEK GROUP BHD	2.590	70.11	75.79	92.79	2.620

**Only for stocks with market cap >RM300m*
Source: Bloomberg

List of Oversold Warrants (14-Day RSI<30-mark)

NAME	LAST PRICE	RSI_14D	RSI_9D	RSI_3D	LOW 30D	EXPIRY DATE
AIRASIA GROUP BHD-C42	0.045	24.83	15.97	1.92	0.045	29/3/2027
DUFU TECHNOLOGY CORP BHD-HA	0.035	28.35	24.01	6.95	0.030	29/1/2027
FTSE BURSA MALAYSIA KLCI INDEX	0.015	28.76	22.46	4.79	0.015	28/8/2026
HANG SENG INDEX-R9	0.150	29.61	24.64	20.60	0.125	28/8/2026
MR DIY GROUP M BHD-C55	0.020	29.65	22.13	7.24	0.020	26/10/2026
ZETRIX AI BHD-B6	0.105	29.86	35.76	37.15	0.095	24/5/2027

Source: Bloomberg

List of Overbought Warrants (14-Day RSI>70-mark)

NAME	LAST PRICE	RSI_14D	RSI_9D	RSI_3D	HIGH 30D	EXPIRY DATE
VISDYNAMICS HOLDINGS BHD-WC	0.220	81.79	84.92	93.99	0.245	30/5/2028
UUE HOLDINGS BHD-WA	0.225	75.71	80.12	92.65	0.235	2/11/2030
NATIONGATE HOLDINGS BHD-C9	0.140	75.07	79.10	93.67	0.155	25/1/2027
NATIONGATE HOLDINGS BHD-C14	0.250	75.00	78.05	93.47	0.260	26/1/2027
PENTAMASTER CORP BHD-C66	0.215	72.36	77.75	94.76	0.225	17/12/2026
SUNWAY CONSTRUCTION GROUP BHD	0.295	71.89	76.56	86.99	0.325	30/9/2026
JAG BHD-WC	0.085	70.92	76.30	94.68	0.090	23/6/2029
DUFU TECHNOLOGY CORP BHD-C12	0.255	70.92	76.35	92.06	0.295	30/9/2026

Source: Bloomberg

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.***

Published by:

KENANGA INVESTMENT BANK BERHAD (15678-H)
Level 17, Kenanga Tower, 237, Jalan Tun Razak, 50400 Kuala Lumpur, Malaysia
Telephone: (603) 2172 0880 Website: www.kenanga.com.my E-mail: research@kenanga.com.my