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TRADING RADAR

CONSUMER P&S: Technical Recovery Beckons

Strategy Report

BM Consumer P&S turning bullish per MACD & RSI confirmations

Technically, the Bursa Malaysia Consumer Products & Services Index appears to be commencing a price recovery. It is confirmed by a positive Weekly MACD crossover this week. Moreover, the Weekly RSI is rising off a recent oversold situation.

BURSA MALAYSIA CONSUMER P&S INDEX



Previous positive confirmations followed by handsome price gains…

Previous similar technical confirmations (i.e., positive Weekly MACD crossover and Weekly RSI rising off oversold) occurred in the second quarter of last year. The ensuing price recovery saw the BM Consumer P&S Index rebounded +10.9% in the second half of 2025, and a further +2.5% gain during the first 2 months of this year.

…and vice versa

However, the reverse (i.e., negative Weekly MACD crossover and Weekly RSI falling off overbought) happened in early March this year. Thenceforth, the BM Consumer P&S Index fell -9.4% until July close.

FUNDAMENTAL: Continued fiscal assistance to support consumer spending

FUNDAMENTAL HIGHLIGHTS: In the upcoming Budget 2027, we can expect continued fiscal assistance (via STR/SARA, etc.) due to prevailing economic circumstances and shifting political dynamics. In this regard, we believe staples should remain relatively more resilient, especially bottled water, poultry/protein and essential retail, where demand is defensive and selected players retain some pricing flexibility.

Accumulate select consumer stocks

Going forward, we recommend accumulating select consumer stocks in view of the potential price recovery. Technically, the select stocks under our coverage among BM Consumer P&S Index constituents are as follow:



99 SPEED MART RETIAL HOLDINGS

TECHNICAL HIGHLIGHTS:

- TECHNICAL TARGET PRICE: RM4.15
- RSI: Rising
- MACD: Positive
- VERDICT: Technical Buy

FUNDAMENTAL HIGHLIGHTS:

- Defensive high-frequency retail proxy, with demand supported by essentials-led household spending and ongoing trade-down behaviour.
- Latest results remained strong, with revenue up +17.5%yoy, transactions up +18.0%yoy and SSSG at +11.1%, reflecting resilient store productivity.
- Store expansion remains a key growth driver, supported by strong execution and scalable mini-market format.



NESTLE (MALAYSIA)

TECHNICAL HIGHLIGHTS:

- TECHNICAL TARGET PRICE: RM116
- RSI: Rising
- MACD: Positive
- VERDICT: Technical Buy

FUNDAMENTAL HIGHLIGHTS:

- Recent earnings recovery is increasingly volume-led, with management highlighting minimal pricing contribution and no new price hikes year-to-date.
- Margin recovery supported by softer coffee/cocoa costs, stronger Ringgit, internal efficiencies and lower finance costs from reduced borrowings.
- Stronger earnings visibility supported by resilient staple demand, brand strength and healthy cash flow.



LEONG HUP INTERNATIONAL

TECHNICAL HIGHLIGHTS:

- TECHNICAL TARGET PRICE: RM0.89
- RSI: Rising
- MACD: Positive
- VERDICT: Technical Buy

FUNDAMENTAL HIGHLIGHTS:

- Defensive affordable protein proxy, supported by resilient demand for poultry and eggs across regional markets.
- 1QFY26 core PATANCI rose +17.6%yoy to RM116.4m, driven by stronger Livestock & Poultry profitability despite softer feed mill earnings.
- Integrated model provides margin resilience, though feed-cost volatility and pricing flexibility remain key watchpoints.



ORIENTAL KOPI HOLDINGS

TECHNICAL HIGHLIGHTS:

- TECHNICAL TARGET PRICE: RM1.20
- RSI: Rising
- MACD: Positive
- VERDICT: Technical Buy

FUNDAMENTAL HIGHLIGHTS:

- Revenue growth remains strong, with 2QFY26 revenue up +42.7%yoy, supported by outlet expansion and rising packaged product contribution.
- Core PATAMI was pressured by expansion costs, staff costs, marketing spend and lower gross margins, with core PATAMI only up +2.5%yoy in 2QFY26.
- Growth story remains intact, FY26 is an expansion-heavy year, but costs were weighted toward the 1HFY26, coming quarters should see a recovery.



LIFE WATER

TECHNICAL HIGHLIGHTS:

- TECHNICAL TARGET PRICE: RM1.69
- RSI: Rising
- MACD: Positive
- VERDICT: Technical Buy

FUNDAMENTAL HIGHLIGHTS:

- Defensive bottled water exposure, supported by essential demand, Sabah market strength, dry season demand and tourism recovery.
- 3QFY26 core PATAMI rose +26.9%yoy to RM8.3m, with margin expansion supported by better GPM and resilient bottled water demand.
- 4QFY26 outlook remains strong, driven by dry-season volume, Tawau DC contribution, and May-26 ASP hike.

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TECHNICAL STOCK RECOMMENDATIONS	
TECHNICAL BUY	The share price return is expected to rise by >10% over the next 2 months.
ADD	The share price return is expected to rise by >5% over the next 1 month.
REDUCE	The share price return is expected to fall by >5% over the next 1 month.
TECHNICAL SELL	The share price return is expected to fall by >10% over the next 2 months.