

Market commentary

Equity market review and outlook

April 2026



Review

- ▶ Malaysian equity markets posted a gain for the month of April, trailing many regional markets in Asia which saw healthy gains on the back of the AI trade. The local index was weak early in the month amid heightened US–Iran tensions and disruptions in the Straits of Hormuz, but recovered subsequently as geopolitical risks eased. April was also an eventful month on the domestic front. The proposed IJM–Sunway mega corporate exercise fell through after IJM shareholders failed to meet the 50%+1 acceptance threshold. Separately, more than 155,000 civil servants applied for work from home (WFH) arrangements effective 15 April 2026. The government estimates this has resulted in fuel savings of 334,000 litres, translating into cost savings of over RM678,000, according to government spokesman Fahmi Fadzil. On the macro front, Malaysia’s advance GDP growth for 1Q26 moderated to 5.3% YoY from 6.3% growth in 4Q25.
- ▶ The KLCI closed the month at 1,722.02, up 1.87% mom. The FBM Small Cap index was up 6.60% for the month, outperforming the KLCI. The best performing sectors were Technology (+22.9%) and Construction (+11.6%). The worst performing sectors were Finance (-0.7%) and Plantation (-0.5%). Average value traded on Bursa in April was RM3514m lower by 10.15% mom.

Outlook

- ▶ The US–Iran conflict has entered its 10th week, with the ceasefire appearing increasingly fragile. This comes amid reports that US President Trump has paused Project Freedom—under which the US military would escort vessels through the Straits of Hormuz—just two days after announcing it. While tensions have eased notably, the Straits of Hormuz remain closed. Recent skirmishes suggest the standoff persists, leaving any prospects for peace negotiations on uncertain footing.
- ▶ Domestically, higher oil prices are starting to impact sectors with heavy machinery exposure that do not benefit from subsidised diesel, with smaller construction players most vulnerable. Cost pressures are also emerging in the consumer space amid packaging supply disruptions—particularly plastics—potentially driving price increases. Higher fuel costs are likely to weigh on household disposable income, while work from home arrangements among civil servants could further dampen small business activity.
- ▶ That said, Malaysia remains relatively better positioned than regional peers as a net oil and gas exporter, although elevated prices may raise the government’s subsidy burden. Bank Negara Malaysia has widened its 2026 GDP growth forecast to 4.0–5.0%, citing resilient domestic consumption while acknowledging external headwinds. We remain cautiously constructive on equities and view periods of market weakness as opportunities to build exposure to fundamentally strong names at attractive valuations.

Index performance & movers

FBM100 INDEX

START DATE	31-Mar-26	END DATE	30-Apr-26
START	12,174.91	END	12,560.83
NET CHG	385.92		3.17%

Name	Price	Net Chg	% Chg	Name	Price	Net Chg	% Chg
1 Inari Amertron Bhd	1.97	0.68	52.71 %	1 Gas Malaysia Bhd	5.40	-0.51	(8.69)%
2 UEM Sunrise Bhd	0.65	0.20	44.87 %	2 Kossan Rubber Industries Bhd	1.10	-0.10	(8.33)%
3 Pentamaster Corp Bhd	3.97	1.01	34.12 %	3 Hextar Global Bhd	0.76	-0.06	(7.93)%
4 Greatech Technology Bhd	2.38	0.56	30.77 %	4 Petronas Dagangan Bhd	20.18	-1.66	(7.60)%
5 ViTrox Corp Bhd	5.45	1.25	29.76 %	5 AMMB Holdings Bhd	6.15	-0.44	(6.68)%
6 Mi Technovation Bhd	3.32	0.76	29.69 %	6 Sunway Healthcare Holdings b	1.89	-0.11	(5.50)%
7 Unisem M Bhd	3.35	0.74	28.35 %	7 Yinson Holdings BHD	2.14	-0.11	(4.89)%
8 YTL Power International Bhd	3.82	0.82	27.33 %	8 Sime Darby Bhd	2.16	-0.10	(4.42)%
9 Malaysian Pacific Industries B	36.62	7.84	27.24 %	9 United Plantations BHD	31.74	-1.44	(4.33)%
10 IOI Properties Group Bhd	4.15	0.83	25.00 %	10 PPB Group Bhd	11.52	-0.48	(4.00)%

Source: Bloomberg

Indices	Last Price			MoM Changes		YTD Changes	
	31-Dec-25	31-Mar-26	30-Apr-26	+/-	%	+/-	%
FBM KLCI	1,680.11	1,690.36	1,722.02	31.66	1.87%	41.91	2.49%
FBM MES	4,872.95	4,246.91	4,618.11	371.20	8.74%	(254.84)	-5.23%
FBM 100	12,107.41	12,174.91	12,560.83	385.92	3.17%	453.42	3.74%
FBM 70	16,803.39	16,864.69	18,085.97	1,221.28	7.24%	1,282.58	7.63%
FBM SCAP	15,772.11	14,645.84	15,612.69	966.85	6.60%	(159.42)	-1.01%
FBM EMAS	12,303.67	12,304.38	12,723.74	419.36	3.41%	420.07	3.41%
FBM SHA	12,096.29	12,117.21	12,718.36	601.15	4.96%	622.07	5.14%
FBM HIJRAH	13,292.13	13,410.51	13,993.75	583.24	4.35%	701.62	5.28%
FBM SCAPS	14,932.99	13,645.61	14,614.78	969.17	7.10%	(318.21)	-2.13%
MSCI APxJ (USD)	722.19	714.97	821.89	106.92	14.95%	99.71	13.81%
MSCI ACWI (USD)	1,014.62	978.94	1,077.10	98.16	10.03%	62.48	6.16%

Source: Bloomberg

Disclaimer

This document is prepared for information purposes only and may not be published, circulated, reproduced or distributed in whole or part, whether directly or indirectly, to any other person without the prior written consent of Eastspring Investments Berhad. It should not be construed as an offer or solicitation for the subscription, purchase or sale of any securities mentioned herein. Whilst we have taken all reasonable care to ensure that the information contained in this document is not untrue or misleading at the time of publication, we cannot guarantee its accuracy or completeness. Any opinion or estimate contained in this document is subject to change without notice. Investors may wish to seek advice from a professional adviser before making a commitment to invest in units of any of our funds. Eastspring Investments Berhad and its related and affiliated corporations together with their respective directors and officers may have or may take positions in the securities mentioned in this document and may also perform or seek to perform other investment services for the corporations whose securities are mentioned in this document as well as other parties. The graphs or charts are included for illustrative purposes only. Past performance is not necessarily a guide to future performance. The predictions, projections, or forecast on the economy, securities markets or the economic trends of the markets are not necessarily indicative of the future or likely performance of Eastspring Investments Berhad or any funds managed by Eastspring Investments Berhad. The value and any income accruing to the investments, if any, may fall as well as rise. An investment is subject to investment risks, including the possible loss of the principal amount invested. Eastspring Investments is an ultimately wholly owned subsidiary of Prudential plc. Prudential plc, is incorporated and registered in England and Wales. Registered office: 5th Floor, 10 Old Bailey, London, EC4M 7NG, UK. Registered number 1397169. Prudential plc is a holding company, some of whose subsidiaries are authorized and regulated, as applicable, by the Hong Kong Insurance Authority and other regulatory authorities. Prudential plc is not affiliated in any manner with Prudential Financial, Inc., a company whose principal place of business is in the United States of America or with the Prudential Assurance Company Limited, a subsidiary of M&G plc, a company incorporated in the United Kingdom.