

Daily Newswatch

Market Review

The FBMKLCI rose higher on Monday (+0.8%), marking its fourth consecutive day in positive territory, in line with the performances of regional markets. This was attributed to persistent buying in selected stocks in the utilities and banking sectors such as YTL Corp (+2.7%), YTL Power (+1.0%), CIMB (+0.9%), Public Bank (+1.2%), and Maybank (+0.9%). All sectors saw gains with the exception of the technology sector (-0.1%), while the largest gains were from the property (+1.5%) and financial services (+0.9%) sectors. Market breadth was positive with 764 gainers against 331 losers.

Economics

- **Taiwan's** March export orders trail forecasts, but govt pins hopes on AI
- **China's** Q1 fiscal revenue falls as tax cut policies weigh
- **South Korea's** early exports rise as momentum remains strong

Companies

- **Technology** Malaysia announces largest IC design park in SEA, Phison to invest RM100m for setting up start-up in Malaysia
- **Powerwell (0217)** bags RM22m sub-contract project
- **Maybank (1155)** introduces digital goal-based investing
- **Axis REIT (5106)** to acquire two properties in Klang for RM351.8m
- **Oriental Int (5827)** eyes growth with RM584.4mil unbilled sales
- **Unitrade (0247)** collaborates with Huawei Tech & JJ-LAP to advance solar adoption
- **IJM Land (3336)** launches IJM Bayouri sales gallery in Penang

Upcoming key economic data releases

	Date
US - GDP	25 Apr
US – Jobless Initial Claims	25 Apr
Malaysia - CPI	25 Apr
Malaysia - PPI	26 Apr
US - FOMC meeting	30 Apr
EU – GDP (flash)	30 Apr
US - CPI	15 May

Key Indices	Last Close	Daily chg %	YTD chg %
FBM KLCI	1,559.6	0.8	7.3
Dow Jones	38,240.0	0.7	1.4
Nasdaq CI	15,451.3	1.1	4.6
S&P 500	5,010.6	0.9	5.6
FTSE 100	8,023.9	1.6	3.9
Nikkei 225	37,438.6	1.0	12.5
Shanghai CI	3,044.6	(0.7)	2.8
HSI	16,511.7	1.8	(1.6)
STI	3,225.2	1.5	(0.1)

Market Activity	Last Close	Daily chg %
Vol traded (m shares)	3,494.5	(25.9)
Value traded (RM m)	2,529.9	(25.5)
Gainers	764	
Losers	331	
Unchanged	420	

Top 5 Volume	Last Close	Daily chg %	Vol (m)
BPURI	0.075	(6.2)	130.4
KEYFIELD	1.930	114.4	108.8
RENEUCO	0.090	20.0	60.1
PMHLDG	0.215	2.4	44.7
DATAPRP	0.135	12.5	43.3

Top 5 Turnover	Last Close	Daily chg %	Value (RM m)
KEYFIELD	1.930	114.4	210.0
MAYBANK	9.740	0.9	102.7
CIMB	6.620	0.9	98.5
YTLPOWR	4.060	1.0	74.7
TENAGA	11.640	0.3	62.0

Currencies	Last Close	% Chg
USD/MYR	4.7768	(0.1)
USD/JPY	154.79	0.1
EUR/USD	1.0654	(0.0)
USD/CNY	7.2436	0.1
US Dollar Index	106.14	(0.0)

Commodities	Last Close	% Chg
Brent (USD/barrel)	87.00	(0.3)
CPO (RM/metric t)	2,330.6	(2.7)
Gold (USD/troy oz)	3,995.5	0.9
Bitcoin (USD/BTC)	66,698.9	3.9

Economics

Taiwan: March export orders trail forecasts, but govt pins hopes on AI

Taiwan's export orders in March increased by 1.2% compared to a year earlier, falling short of expectations but indicating potential future demand for high-tech products driven by artificial intelligence (AI) applications. Despite challenges such as China-US trade disputes and geopolitical uncertainty, demand for AI, high-performance computing (HPC), and cloud industry products is on the rise. Orders for telecommunications and electronic products saw growth, with orders from China and the US showing improvement compared to previous months. *(The Edge)*

China: Q1 fiscal revenue falls as tax cut policies weigh

China's fiscal revenue for the first quarter dropped by 2.3% year-on-year, attributed partly to previous tax cut policies and ongoing challenges in the property sector. Despite faster-than-expected economic growth, March indicators suggest continued fragility in domestic demand. To address these issues, the finance ministry plans to support technology-led industrial innovation through tax and fee cut policies, aiming to bolster economic recovery amidst tepid domestic demand and a property crisis. *(Reuters)*

South Korea: early exports rise as momentum remains strong

South Korea's early exports for April surged by 11.1% year-on-year, driven by a 43% increase in semiconductor shipments and a 12.8% rise in car exports. This robust export growth, especially in high-tech sectors, reflects broader momentum in Asia's export market. South Korea's trade performance, often seen as a leading indicator for global commerce trends, is buoyed by strong demand for AI-related hardware and semiconductor products, contributing to the country's industrial strength amidst lukewarm domestic consumption. *(Bloomberg)*

Companies

Technology: Malaysia announces largest integrated circuit design park in SEA, Phison to invest RM100m for setting up start-up in Malaysia

The Selangor state government, through Selangor Information Technology and Digital Economy Corporation (Sidec), is spearheading the establishment of Southeast Asia's largest IC design hub in Puchong, aiming to position Malaysia as a leader in the global IC design industry. Partnering with international semiconductor firms like ARM Ltd and Phison Malaysia, the project seeks to elevate Malaysia's presence in front-end IC design, attracting significant investments and talent development initiatives. The IC Design Park, slated to commence operations by July 2024, aims to provide essential resources and facilities to promote original design manufacturing (ODM) and boost local involvement in product design and production. On a separate note, Phison Electronics Corp is investing RM100m to set up a start-up company called MaiStorage in Selangor, and plans to move over RM1 billion worth of matured technology back to his homeland. *(The Edge)*

Powerwell (0217): bags RM22m sub-contract for Sg Rasau Water supply scheme project

Powerwell Holdings Bhd has secured a RM22.1m sub-contract to supply a low voltage switchboard for the first stage of the Sg Rasau Water Supply Scheme in Selangor, expected to be completed by June 2025. The sub-contract, awarded to its wholly-owned unit Kejuruteraan Powerwell Sdn Bhd, includes the supply of necessary materials, labor, and supervision for the project. *(The Edge)*

Maybank (1155): introduces digital goal-based investing

Maybank introduced a goal-based investment feature on its MAE App and Maybank2U platforms for Malaysia and Singapore customers, requiring an initial investment of RM200 and no lock-in period. The tool aims to simplify digital retail investment for beginners, allowing users to set financial goals, choose unit trust funds based on risk appetite, and track progress within the app, with both conventional and shariah-compliant funds available. Maybank seeks to attract new-to-bank users and promote financial inclusivity by lowering the entry barrier to investing. *(The Edge)*

Axis REIT (5106): to acquire two properties in Klang for RM351.8m

Axis Real Estate Investment Trust (Axis REIT) is set to acquire an industrial complex and open storage yard in Klang from Lion Industries Corp Bhd for RM351.8m cash. The acquisition, funded by existing bank financing, is expected to boost Axis REIT's distributable income with strong recurring rental income, contributing positively to earnings by the fourth quarter of 2024 for the industrial complex and by the end of 2025 for the open storage yard. Lion Industries intends to utilize the proceeds to repay bank borrowings and for working capital needs. *(The Edge)*

Oriental Interest (5827): eyes growth with RM584.4mil unbilled sales

Oriental Interest Bhd (OIB) anticipates growth with RM584.4m in unbilled property sales as of Feb 29, expressing confidence in delivering positive results for the financial year ending Aug 31, 2024. Despite a decline in net profit by 18.7% to RM8.6m in the second quarter ended Feb 29, OIB saw a 12.8% increase in revenue to RM136.7m, attributing the growth to the delivery of properties and the launch of new projects such as Taman Permaipura. OIB also highlights its substantial land bank of 3,142 acres, which is expected to fuel future property development activities. *(The Star)*

Unitrade (0247): collaborates with Huawei Technologies and JJ-LAP to advance solar adoption

Unitrade Industries Bhd's subsidiary, Syarikat Logam Unitrade Sdn Bhd, has partnered with Huawei Technologies (Malaysia) Sdn Bhd and JJ-LAPP (M) Sdn Bhd to promote the adoption of solar energy solutions. The collaboration aims to leverage Huawei's digital power-smart photovoltaic (PV) solutions, with Huawei providing technology expertise, JJ-LAPP serving as the authorized partner for sales, and Unitrade acting as the project delivery partner. This initiative aligns with Unitrade's commitment to ESG principles and supports Malaysia's energy transition journey, particularly with the government's initiatives such as the National Energy Transition Roadmap. *(The Edge)*

IJM Land (3336): launches IJM Bayouri sales gallery in Penang

IJM Land Bhd has launched the sales gallery of IJM Bayouri in Penang, a 70-acre freehold mixed-development with an approximate gross development value of RM630m. Over five years, the project will feature terraced homes, semi-detached units, garden homes, commercial shops, and green spaces, aiming to enhance liveability and the town's character. The development caters to first-time homebuyers, upgraders, and young adults, with sustainability initiatives integrated into the design, including solar panels and rainwater harvesting systems in the sales gallery. (*The Edge*)

Stock Selection Based on Dividend Yield

Company	Sector	Price (RM)	Dividend/Share (RM)	Dividend Yield (%)
Bermaz Auto	Consumer	2.35	0.21	9.11
British American Tobacco (M)	Consumer	8.38	0.70	8.39
Sentral REIT	REIT	0.80	0.07	8.38
YTL Hospital REIT	REIT	1.19	0.09	7.90
KIP REIT	REIT	0.90	0.07	7.78
UOA REITS	REIT	1.11	0.08	7.48
RHB Bank	Finance	5.52	0.40	7.30
Taliworks Corporation	Utilities	0.80	0.06	7.25
CapitaLand Malaysia Trust	REIT	0.63	0.05	7.20
Sports Toto	Consumer	1.36	0.10	7.13
Pavilion REIT	REIT	1.29	0.09	6.98
Amway (M)	Consumer	7.30	0.51	6.95
MBM Resources	Consumer	4.91	0.34	6.95
Paramount Corporation	Property	1.07	0.07	6.64
Sunway REIT	REIT	1.52	0.10	6.58

Source: Bloomberg

User guide: Mercury Securities compiles a list of dividend-yielding stocks for conservative long-term passive investors looking for regular income whilst capping downside risk of their investment.

Methodology: The list above includes stocks that have a high dividend yield, estimated to be greater than 4% per annum. These stocks also have a history of paying dividends consistently, having paid dividends for the past 3 years.

IPO Tracker

Company	Listing Sought	Issue Price (RM/Share)	No. Of Shares (m)		Closing Date	Listing Date
			Public Issue	Offer for Sale		
Topmix	ACE Market	0.31	82.7	19.7	4 Apr	23 Apr
MKH Oil Palm (East Kalimantan)	Main Market	0.62	220.0	30.7	16 Apr	30 Apr
Sin-Kung Logistics	ACE Market	0.13	200.0	103.5	2 May	15 May

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