



# Daily Newswatch

## Market Review

The FBM KLCI extended its decline, closing at 1,536.5 (-0.7%) as escalating global trade tensions continued to dampen investor sentiment. Selling pressure remained broad-based, with index heavyweights leading the downturn—Sime Darby (-3.3%), Axiata (-3.2%), and Nestlé (-3.0%) registered the steepest losses among constituents. Sector-wise, Technology bore the brunt of the selloff, retreating (-2.8%), while Health Care and Telecommunications & Media also faced notable declines of (-2.5%) each. Overall, market breadth was significantly bearish, with 731 decliners outpacing 254 gainers.

## Economics

- Malaysia:** Anwar hails IRB's performance, optimistic about future revenue growth
- Malaysia:** PM: There is room for talks on opposition MP allocations
- US:** Trump says US economy faces 'transition,' avoids recession call
- US:** Commerce secretary says Trump sticking to 25% tariffs on steel and aluminium imports from Wednesday
- EU:** Bankers race to catch up with defence goals in stunning reset
- China:** Rattles crop markets with levies on Canadian farm exports
- Thailand:** Readies US\$800m in new cash handout to spur growth
- Indonesia:** Mulls tax hikes on miners due to budgetary pressures

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- Kerjaya Prospek:** Wins RM51m piling job for Andaman Island apartment project in related party transaction
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- MGB:** Secures RM88.6m worth of new orders for Al Arous development in Jeddah
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- JF Technology:** In RM6m probe card manufacturer acquisition
- Lim Seong Hai:** Secures 20-year concession to operate KL Tower, starts April 1
- Pecca:** To provide consultancy services in Malaysia for Chinese automotive technology company
- Pestech:** Issues shares to major shareholder Dhaya Maju again to raise RM27.8m

### Upcoming key economic data releases

	Date
Malaysia – Jan 2025 Unemployment Rate	Mar 11
US – Feb 2025 CPI	Mar 12
US – Feb 2025 PPI	Mar 13
US – Fed Interest Rate Decision & FOMC	Mar 20
Malaysia – Jan 2025 Inflation Rate	Mar 21

Key Indices	Last Close	Daily chg %	YTD chg %
FBM KLCI	1,536.5	(0.7)	(6.4)
Dow Jones	41,911.7	(2.1)	(1.5)
Nasdaq CI	17,468.3	(4.0)	(9.5)
S&P 500	5,614.6	(2.7)	(4.5)
FTSE 100	8,600.2	(0.9)	5.2
Nikkei 225	37,028.3	0.4	(7.2)
Shanghai CI	3,366.2	(0.2)	0.4
HSI	23,783.5	(1.8)	18.6
STI	3,899.1	(0.4)	2.9

Market Activities	Last Close	% Chg
Vol traded (m shares)	3,096.3	26.5
Value traded (RM m)	2,403.4	(1.3)
Gainers	254	
Losers	731	
Unchanged	425	

Top 5 Volume	Last Close	Daily chg %	Vol (m)
SAPNRG	0.035	0.0	149.0
NATGATE	1.140	(14.3)	88.2
NEXG	0.260	(3.7)	81.4
SNS	0.385	(4.9)	53.1
MYEG	0.905	0.6	52.5

Top 5 Turnover	Last Close	Daily chg %	Val (RM m)
CIMB	7.520	0.0	225.3
MAYBANK	10.580	(0.6)	112.9
NATGATE	1.140	(14.3)	103.7
TENAGA	13.540	(1.5)	74.1
PBBANK	4.550	0.0	60.3

Currencies	Last Close	% Chg
USD/MYR	4.422	(0.2)
USD/JPY	147.160	0.1
EUR/USD	1.084	0.0
USD/CNY	7.260	(0.2)
US Dollar Index	103.924	0.1

Commodities	Last Close	% Chg
Brent (USD/barrel)	69.2	(1.6)
Gold (USD/troy oz)	2,888.6	(0.0)
CPO (MYR/metric t)	4,775.0	(0.0)
Bitcoin (USD/BTC)	79,535.5	0.3

## Economics

### Malaysia: Anwar hails IRB's performance, optimistic about future revenue growth

Prime Minister Datuk Seri Anwar Ibrahim has expressed optimism about the Inland Revenue Board's (IRB) performance, commending its achievements and the implementation of new systems that have boosted efficiency. "I am optimistic. First, I was very impressed with the performance of the IRB over the last few years, particularly last year. I think this is more organised and structured, and new instruments have been introduced like the e-invoice, which has helped," he told reporters after attending the 29th HASiL Day celebration here on Monday. Anwar believes that with the current level of standards and discipline, the IRB will be able to further improve its performance and contribute even more to national revenue. *(The Edge)*

### Malaysia: PM: There is room for talks on opposition MP allocations

Prime Minister Datuk Seri Anwar Ibrahim has emphasised that the government remains open to discussions with the opposition regarding allocations for opposition members of Parliament (MPs). Anwar, who is also finance minister, said any arising issues could be raised through meetings, and the draft memorandum of understanding (MOU) on opposition allocations could be amended if necessary. "I attended five meetings when I was in the opposition. Have meetings first — the draft can be amended. Why make noise outside? Want to be a street hero? Learn first," he told reporters after attending the 29th Revenue Day celebration at the Inland Revenue Board Tower here on Monday. *(The Edge)*

### US: Trump says US economy faces 'transition,' avoids recession call

President Donald Trump said the US economy faces "a period of transition," deflecting concerns about the risks of a slowdown as his early focus on tariffs and federal job cuts causes market turmoil. Asked on Fox News' Sunday Morning Futures whether he's expecting a recession this year, Trump said, "I hate to predict things like that. There is a period of transition, because what we're doing is very big." While declining to address the question, Trump's response broadly aligns with his speech to Congress last week and a flurry of recent comments from top administration officials, including Treasury Secretary Scott Bessent. *(Bloomberg)*

### US: Commerce secretary says Trump sticking to 25% tariffs on steel and aluminium imports from Wednesday

US Commerce Secretary Howard Lutnick signalled he doesn't expect a reprieve, with 25% tariffs on steel and aluminium imports scheduled to take effect on Wednesday. The levies, ordered by President Donald Trump in February, include imports from Canada and Mexico — which are among the top foreign suppliers — and apply to finished metal products, too. US steelmakers have urged Trump to resist exemptions to the tariffs, which risk hitting US companies that use aluminium and steel. Administration officials have said the policy is aimed at cracking down on efforts by countries including Russia and China to bypass existing duties. Trump's tariff policy, marked by hasty roll-outs followed by reversals and delays, have sowed confusion and injected chaos into financial markets. *(Bloomberg)*

### EU: Bankers race to catch up with defence goals in stunning reset

As Europe makes defence the bloc's No 1 priority, it's bumping up against its own bankers. Defence industry executives, politicians and senior bankers alike are now calling for an urgent revamp of regulations and internal processes to make it easier for banks to quickly channel funds into arms manufacturers and military contractors. "Many defence firms have had trouble with simple things like getting a bank account," said Florian Seibel, a co-founder of Quantum Systems, a maker of surveillance drones that operates in Ukraine. "At a working level the bank staff will say 'of course we should finance this defence project.' But then the deal is blocked as it goes against some internal rule." *(Reuters)*

**China: Rattles crop markets with levies on Canadian farm exports**

China's weekend move to impose tariffs on Canadian rapeseed products has sent prices for the crop plunging, adding more uncertainty to global food flows that are being buffeted by a series of trade wars. The move is a response to Canadian tariffs on Chinese-made electric vehicles, steel and aluminium imposed last year and comes as both countries are grappling with sweeping levies from US President Donald Trump's administration. It also leaves Mark Carney juggling trade wars on two major fronts as he prepares to take over as Canada's prime minister. China announced a 100% tariff on rapeseed oil and meal from Canada, where the crop is known as canola, along with a smaller duty on pork and seafood imports. China is the North American nation's biggest export destination for the oilseed and the measures come just before farmers start sowing for the upcoming season. Futures in New York tumbled by the exchange limit on Monday. *(Reuters)*

**Thailand: Readies US\$800m in new cash handout to spur growth**

Thailand's government plans to inject more cash to push growth beyond 3% this year, as the export-reliant economy faces headwinds from global trade tensions and a volatile local currency. The country's economic stimulus panel approved the third phase of the government's flagship cash handout plan. The latest tranche is worth 27bn baht (RM3.5bn), which will be distributed toward the middle of the year to Thais aged 16 to 20, Finance Minister Pichai Chunhavajira told reporters after a meeting Monday. About 2.7m beneficiaries in the age group will receive 10,000 baht each, with the disbursement set to be made through a new "digital wallet" application meant to boost spending, the minister said. The plan will require approval from the cabinet. *(Reuters)*

**Indonesia: Mulls tax hikes on miners due to budgetary pressures**

Indonesia is proposing hiking royalties paid by miners in a bid to bolster public finances that are being strained by President Prabowo Subianto's spending plans. The Energy and Mineral Resources Ministry is considering increases on the levies paid on the production of everything from copper to coal, according to a public consultation document released over the weekend. Royalties that were formerly flat, such as those paid on nickel ore, may now rise if prices increase. The proposal comes as Indonesia's government grapples with the huge cost of Prabowo's flagship initiatives, including free school lunches and the Danantara state investment fund. Ministries have been asked to cut their budgets to fund the two multi-bn dollar policies after a proposed hike to value-added tax was watered down. *(Reuters)*

## Companies

### **Kerjaya Prospek: Wins RM51m piling job for Andaman Island apartment project in related party transaction**

Kerjaya Prospek Group Bhd has secured a RM51.03m contract for piling and earthworks at a service apartment project in Andaman Island, Penang, in a related party transaction (RPT). The contract, awarded by Persada Mentari Sdn Bhd, an indirect subsidiary of Eastern & Oriental Bhd, was secured by Kerjaya Prospek's wholly owned unit, Kerjaya Prospek (M) Sdn Bhd. The transaction is classified as an RPT as Kerjaya Prospek's non-independent non-executive chairman, Datuk Seri Tee Eng Ho, also serves as executive chairman of E&O. He is a major shareholder of both companies. *(The Edge)*

### **Avaland: Meria @Cybersouth Square achieves 50% take-up of its first phase of 49 units**

Avaland Bhd Meria @Cybersouth Square has achieved a 50% take-up to-date, of its first phase of 49 units, which was launched on Feb 22. Meria has 190 units with a gross development value (GDV) of RM366 m, and is part of Avaland's 417-acre Cybersouth masterplan, which has a total GDV of RM1bn. "Meria's encouraging take-up underscores Cybersouth's growth potential and investment appeal. Its strategic location, within 10km of over 600,000 households, positions it as a commercial focal point," said Avaland chief executive officer Apollo Bello Tanco. Set against the backdrop of The Island @Cybersouth, a 40-acre development featuring a 37-acre waterbody, Meria spans 20 acres. It consists of 190 dual-frontage, individually titled two- and three-storey shop units with built-ups from 3,341 to 6,587 sq ft, with prices ranging from RM1,585,800 to RM4,549,800. *(The Edge)*

### **TDM: Bertam Specialist Hospital to build RM146m hospital in Bertam, Penang**

TDM Bhd's subsidiary Kumpulan Medic Iman Sdn Bhd (KMI Healthcare) is collaborating with Bertam Specialist Hospital Sdn Bhd (BSHSB) to develop a 100-bed hospital in Bertam, Penang, with a gross development cost of RM146m. In a statement on Monday, KMI Healthcare's subsidiary KMI Bertam Medical Center Sdn Bhd (KMI Bertam) signed a build-and-lease agreement with BSHSB. Under the agreement, BSHSB will manage the development and ownership of the hospital facility, and KMI Bertam will lease the hospital for 18 years, with an option to extend for another 12 more years. KMI Healthcare is a subsidiary of TDM's healthcare division, which operates five specialist hospitals with 419 beds. TDM is an investment holding company, which is mainly involved in the oil palm plantation sector. *(The Edge)*

### **Capital A: Won't be paying out dividends anytime soon, to focus on growth**

Capital A Bhd said on Monday the low-cost carrier won't be dishing out dividends anytime soon, to conserve cash for growth. It would take at least three to four years before Capital A considers resuming dividend payments following the completion of the RM6.3bn restructuring exercise, chief executive officer Tan Sri Tony Fernandes said at a media briefing. "My priority for Capital A companies is growth," he said. "Whatever cash we generate will be reinvested." *(The Edge)*

### **MGB: Secures RM88.6m worth of new orders for AI Arous development in Jeddah**

MGB Bhd's subsidiary, MGB International for Industry (MGBI), has secured two orders worth RM88.7m from Saudi Arabia's Sany Alameriah Industrial to supply and install precast elements for the Roshn Alarous development in Jeddah. Roshn is a national real estate entity in the Kingdom of Saudi Arabia, backed by the sovereign Public Investment Fund which has assets under management exceeding US\$700 billion (RM3.09tn). According to a filing with Bursa Malaysia, the orders are part of a joint venture agreement signed between MGBI and Sany Alameriah Industrial on July 27, 2023 for the supply and installation contracts of a total aggregate minimum amount of 270,000 cubic metres (cu m) of precast concrete products over a three-year period. *(The Edge)*

**Oasis Harvest: Bursa Malaysia publicly reprimands Oasis Harvest and adviser Mercury Securities over compliance failures in terminated rights issue**

Bursa Malaysia Securities has publicly reprimanded Oasis Harvest Corp Bhd and its adviser, Mercury Securities Sdn Bhd, over the termination of the company's rights issue in 2023. Oasis had announced the rights issue on May 26 that year, involving up to 202.8m new shares and 152.1m free warrants on a four-for-three basis. The food and beverage company intended to allocate RM5.35m (47.3% of the minimum RM11.3m proceeds) for deferred acquisition payments. On Oct 13, 2023, Oasis announced that its board had decided to scrap the exercise. *(The Edge)*

**JF Technology: In RM6m probe card manufacturer acquisition**

JF Technology Bhd, the manufacturer of test contacting solutions for global integrated circuit makers, has entered an agreement with Spire Manufacturing Inc to acquire Q3 Probe Pte Ltd for US\$1.36m (RM6m). In a statement on Monday, JF Technology said its unit JF International Sdn Bhd has proposed the agreement to acquire 80% equity in Q3 for US\$1.36m, which is expected to be completed by the end of April. The remaining 20% equity interest will be acquired by Dec 31, 2027. *(The Edge)*

**Lim Seong Hai: Secures 20-year concession to operate KL Tower, starts April 1**

ACE Market-bound Lim Seong Hai Capital Bhd has signed a 20-year concession agreement to operate and maintain the iconic Kuala Lumpur Tower, after almost a year it first announced the contract win. In a filing with Bursa Malaysia on Monday, LSH Capital said it has signed the concession agreement with the federal government, which will commence on April 1, 2025. The company stated that the concession was awarded to LSH Service Master Sdn Bhd, which is a 70:30 joint venture between its wholly owned subsidiary LSH BEST Builders Sdn Bhd and Service Master (M) Sdn Bhd (SMMSB). *(The Edge)*

**Pecca: To provide consultancy services in Malaysia for Chinese automotive technology company**

Upholstery manufacturer Pecca Group Bhd will provide consultancy services in Malaysia to Chinese automotive technology player Shanghai Launch Automotive Technology Co Ltd under a deal entered into on Monday. Pecca said the group will act as Shanghai Launch's exclusive sales and marketing partner and consultant in Malaysia to advise and assist the Chinese company in its dealings with end customers in automotive design and development, as well as automotive products and projects. Pecca chief executive officer Foo Ken Nee said the partnership presents an opportunity for both Pecca and Malaysia to move up the supply chain while advancing automotive technology and local content customisation. *(The Edge)*

**Pestech: Issues shares to major shareholder Dhaya Maju again to raise RM27.8m**

Pestech International Bhd is raising a further RM27.8m through a restricted issue of shares to its newly emerged controlling shareholder, Dhaya Maju Infrastructure (Asia) Sdn Bhd (DMIA), to fund ongoing projects. This marks the struggling rail infrastructure company's second restricted issue within six months. Upon completion of the restricted issue, DMIA's stake in Pestech will rise to 61.4% from 57.5% currently, further tightening its grip on the company, according to Pestech's filing to Bursa Malaysia. *(The Edge)*



## Stock Selection Based on Dividend Yield

	Sector	Price (RM)	Dividend/Share (RM)	Dividend Yield (%)
Bermaz Auto	Consumer	1.01	0.16	15.64
British American Tobacco (M)	Consumer	6.26	0.54	8.63
Hektar REITS	REIT	0.50	0.04	8.60
Sentral REIT	REIT	0.77	0.06	8.37
REXIT	Technology	0.60	0.05	8.33
YTL Hospital REIT	REIT	1.04	0.08	7.98
KIP REIT	REIT	0.87	0.07	7.70
Amway (M)	Consumer	6.37	0.47	7.38
CapitaLand Malaysia Trust	REIT	0.66	0.05	7.33
Ta Ann Holdings	Plantation	3.77	0.27	7.27
Taliworks Corporation	Utilities	0.69	0.05	7.25
Paramount Corporation	Property	1.06	0.08	7.08
MBM Resources	Consumer	5.50	0.39	7.07
MAG Holdings	Consumer	1.24	0.08	6.61
Magnum	Consumer	1.24	0.08	6.61

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		
Saliran Group Bhd	Main Market	0.27	80.4	38.3	28 Feb	13 Mar
<a href="#">Lim Seong Hai Capital Bhd</a>	ACE Market	0.88	132.0	59.0	06 Mar	21 Mar
Wawasan Dengkil Holdings Bhd	ACE Market	0.25	108.0	54.0	11 Mar	25 Mar
Chemlite Innovation Bhd	ACE Market	0.25	120.0	60.0	12 Mar	26 Mar
Hi Mobility Bhd	Main Market	1.22	95.0	35.0	19 Mar	28 Mar

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